

## COMPANY INFORMATION SHEET

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Company Name (Stock code): Weiye Holdings Limited (Hong Kong: 1570, Singapore: BMA)  
Stock Short Name: WEIYE HOLDINGS

This information sheet is provided for the purpose of giving information to the public about Weiye Holdings Limited (the “**Company**”) as at the date hereof. It does not purport to be a complete summary of the information relevant to the Company and/or its securities.

Unless otherwise indicated, the capitalized terms have the same meanings as ascribed in the Company’s prospectus dated 29 March 2016 (the “**Prospectus**”).

### Responsibility statement

The directors of the Company (the “**Directors**”) as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this information sheet and confirm, having made all reasonable inquiries, that to be the best of their knowledge and belief the information contained in this information sheet is accurate and complete in all material respects and not misleading or deceptive and that there are no other matters the omission of which would make an information inaccurate or misleading herein.

The Directors also collectively and individually undertake to publish on a yearly basis, when the Company publishes its annual report, this information sheet reflecting, if applicable, the changes to the information since the last publication.

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Date of this information sheet: 14 March 2017

## A. SUMMARY OF WAIVERS

We have sought certain waivers from strict compliance with certain provisions of the Listing Rules. Set out below is a summary of the waivers sought and granted by the Stock Exchange:

<b>Relevant Listing Rules provision</b>	<b>Subject matter</b>
Rule 8.12	Sufficient management presence in Hong Kong
Rule 9.09	Dealings in securities by core connected persons during a listing application process
Rules 10.08 and 10.07(1)(a)	Issue of further securities and restriction on disposal of shares by a controlling shareholder after a new listing upon issue of further securities
Rule 10.07(1)(a)	Restriction on disposal of shares by a controlling shareholder after a new listing in respect of the bridging arrangements
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### SUFFICIENT MANAGEMENT PRESENCE IN HONG KONG (RULE 8.12)

Rule 8.12 of the Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. As the principal business and operations of our Group are located, conducted and managed in the PRC through our PRC established subsidiaries, and that our major suppliers and major customers are also located in the PRC, our executive Directors and senior management are and will continue to be based in the PRC.

As at the Latest Practicable Date, none of our executive Directors or senior management is a Hong Kong resident or based in Hong Kong. If two executive Directors who are ordinarily resident in Hong Kong need to be appointed for the purpose of complying with the requirements of Rule 8.12 of the Listing Rules, such personnel may not be able to fully understand or familiarise themselves with the business and operations of our Group immediately. This may have an adverse impact on their ability to exercise their discretion on a fully informed basis, or make appropriate decisions beneficial to the business operations and development of our Group. Further, as our Company is also listed on SGX-ST, there are other compliance issues with SGX-ST that our Company needs to satisfy. Hence, our Directors consider it may not be practicable or in the best interest of our Company nor the Shareholders as a whole to appoint two executive Directors who are ordinarily resident in Hong Kong for the purpose of satisfying the requirements of Rule 8.12 of the Listing Rules.

Our Company has applied for and the Stock Exchange has granted a waiver from the strict compliance with the requirements of Rule 8.12 of the Listing Rules on the following conditions:

- (a) our Company has appointed and will continue to maintain two authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as the principal channel of communication between our Company and the Stock Exchange. Our Company will ensure that the authorised representatives will comply with the Listing Rules at all times. We have appointed Mr. Man Yun Wah, one of the joint company secretaries of our Company, who is ordinarily resident in Hong Kong, and Mr. Zhang Wei, our executive Director and chairman of the Board as our two authorised representatives;
- (b) each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by telephone, facsimile or email. Each of the two authorised representatives has been duly authorised to communicate on behalf of our Company with the Stock Exchange;

- (c) each of the authorised representatives has means to contact all members of the Board (including the independent non-executive Directors) and the senior management team of our Group promptly at all times as and when the Stock Exchange wishes to contact any of them for any matter;
- (d) our Company will implement a policy that (i) every Director will provide his or her mobile phone number, residential phone number, office phone number, fax number, email address to the authorised representatives, (ii) every Director will provide his or her phone number, place and phone number of the place of accommodation and other means of communication to the authorised representatives if such Director is expecting to travel or be out of office, and (iii) every Director (including independent non-executive Directors) will provide his or her mobile phone number, residential phone number, office phone number, fax number, email address to the Stock Exchange;
- (e) each Director who is not ordinarily resident in Hong Kong has confirmed that he possesses valid travel documents which allow him to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable time upon request;
- (f) our Company has pursuant to Rule 3A.19 of the Listing Rules retained CLC International Limited as our compliance adviser who shall act as our additional communication channel with the Stock Exchange upon Listing; and
- (g) any meeting between our Company and the Stock Exchange can be arranged through the authorised representatives or the compliance adviser, or directly with our Directors. We will inform the Stock Exchange of any change in authorised representative or compliance adviser in accordance with the Listing Rules.

#### **DEALING IN SECURITIES BY CORE CONNECTED PERSONS DURING A LISTING APPLICATION PROCESS (RULE 9.09)**

Rule 9.09 of the Listing Rules provides that there must be no dealing in the securities for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the “**Relevant Period**”). Our Company, being a company whose Shares are widely held, publicly traded and listed on SGX-ST, is not in a position to control the investment decisions of our Shareholders (other than the Controlling Shareholders) or the investing public in Singapore. To the best knowledge of our Directors after making reasonable enquiry, other than the Controlling Shareholders, there is no other Shareholder who held more than 10% of the total issued share capital of our Company as at the Latest Practicable Date.

Our Company has applied for and the Stock Exchange has granted a waiver from the strict compliance with the requirements of Rule 9.09 of the Listing Rules subject to the following:

- (a) the core connected person(s), other than those who are Directors of our Company:
  - (i) shall have no influence over the listing process; and
  - (ii) are not in possession of any non-public inside information;
- (b) we shall promptly release any inside information to the public in accordance with the relevant laws and regulations in Singapore and Hong Kong;
- (c) we shall procure that none of the Controlling Shareholders and the Directors and any of their respective associates deals in the Shares during the Relevant Period;
- (d) we will notify the Stock Exchange if there is any dealing or suspected dealing in the Shares by any of our core connected persons during the Relevant Period; and
- (e) for any person (other than the Controlling Shareholders) who, as a result of dealing in the securities of our Company during the Relevant Period, becomes a substantial shareholder of our Company (the “**Potential New Substantial Shareholder**”), we confirm that:
  - (i) such Potential New Substantial Shareholder is currently not a Director or a member of the senior

management of our Company or any of its subsidiaries and would not become a Director or a member of the senior management of our Group after Listing; and

- (ii) our Company and its management have not had control over the investment decisions of such Potential New Substantial Shareholder or its associates.

As at the Latest Practicable Date, we are not aware of any core connected person which may not be able to comply with Rule 9.09 of the Listing Rules.

#### **ISSUE OF FURTHER SECURITIES (RULE 10.08) AND RESTRICTION ON DISPOSAL OF SHARES BY A CONTROLLING SHAREHOLDER AFTER A NEW LISTING (RULE 10.07(1)(a)) UPON ISSUE OF FURTHER SECURITIES**

Rule 10.08 of the Listing Rules provides that no further shares or securities convertible into equity securities of a listed issuer may be issued or form the subject of any agreement to such an issue within six months from the date on which securities of the listed issuer first commence dealing on the Stock Exchange (whether or not such issue of shares or securities will be completed within six months from the commencement of dealing) except for the circumstances more particularly stated in the Listing Rules.

Rule 10.07(1)(a) of the Listing Rules provides that the controlling shareholders of the issuer shall not in the period commencing on the date by reference to which disclosure of the shareholding of the controlling shareholders is made in the listing document and ending on the date which is six months from the date on which dealings in the securities of a new applicant commence on the Stock Exchange, dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of the issuer in respect of which he is or they are shown by that listing document to be the beneficial owner(s).

Our Directors confirm, after making reasonable enquiry, none of the Controlling Shareholders has directly or indirectly disposed of any Shares since the completion of the Reverse Takeover in 2011.

Our Company has applied for and the Stock Exchange has granted, a waiver from strict compliance with Rules 10.08 and 10.07(1)(a) of the Listing Rules on the following grounds:

*As regards Rule 10.08 of the Listing Rules:*

- (a) our Company has been listed on SGX-ST for more than six months;
- (b) the Controlling Shareholders will maintain its controlling shareholding for twelve months after the Listing;
- (c) although our Company currently does not have any plan to raise funds in Singapore before the Listing and in the short-term after Listing whether in Singapore or Hong Kong, it is essential for our Company to have flexibility to raise funds by way of further issue of Shares or enter into acquisitions by issuing Shares as consideration should any appropriate opportunity arise. Any issue of new Shares by our Company may enhance our Shareholders base and increase the trading liquidity of the Shares, and the interests of the existing Shareholders would be prejudiced if our Company cannot raise funds for expansion due to the restrictions under Rule 10.08 of the Listing Rules;
- (d) the listing of our Shares on the Stock Exchange by way of Introduction will not result in any dilution of the interests of the existing Shareholders;
- (e) the interests of Shareholders are well protected since any further issue of Shares by our Company will be made under general mandate or subject to Shareholders' approval as required under Rule 13.36 of the Listing Rules; and

*As regards Rule 10.07(1)(a) of the Listing Rules:*

- (f) it is a consequential technical waiver of Rule 10.07(1)(a) of the Listing Rules in respect of the deemed

disposal of Shares by the Controlling Shareholders upon any issue of securities by our Company within the first six months from the Listing Date if waiver for strict compliance with Rule 10.08 of the Listing Rules is granted.

For the purpose of the Stock Exchange granting the waiver from strict compliance with Rules 10.07(1)(a) and 10.08 of the Listing Rules, our Company has undertaken to observe the following conditions:

- (a) any issue of new Shares will not result in the Controlling Shareholders ceasing to be Controlling Shareholders of our Company as a result of the dilution of their holdings of Shares (i.e. deemed disposal of Shares) upon the issue of any Shares within twelve months of the Listing;
- (b) any issue of Shares or convertible securities by the Company within the first six months from the Listing Date must be either (a) for cash to fund a specific acquisition of assets or business that will contribute to the growth of the Group's operation; or (b) for full or partial settlement of the consideration for such acquisition; and
- (c) we will disclose in the listing document details of any general mandate approved by our Shareholders for the issue of further Shares.

**RESTRICTION ON DISPOSAL OF SHARES BY A CONTROLLING SHAREHOLDER AFTER A NEW LISTING (RULE 10.07(1)(a)) IN RESPECT OF THE BRIDGING ARRANGEMENTS Requirements of Rule 10.07(1)(a)**

Rule 10.07(1)(a) of the Listing Rules provides that the controlling shareholders of the issuer shall not in the period commencing on the date by reference to which disclosure of the shareholding of the controlling shareholders is made in this listing document and ending on the date which is six months from the date on which dealings in the securities of a new applicant commence on the Stock Exchange, dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of the issuer in respect of which he is or they are shown by that listing document to be the beneficial owner(s).

**Background**

It is expected that, upon the Listing and during the Bridging Period, the Bridging Dealer (and/or its affiliates authorised to carry out arbitrage activities), on its own account, will seek to undertake, or request KGI Securities (Hong Kong) Limited, the Alternate Bridging Dealer, to undertake arbitrage activities in the circumstances described in the section headed "Listings, Registration, Dealings and Settlement" of this listing document, including but not limited to:

- (a) conducting arbitrage trades in line with market practice in the context of dual listed stocks during the Bridging Period when: (1) there is a concurrent availability of the securities on both the SGX-ST and Stock Exchange; and (2) there is a meaningful Share price differential between the Hong Kong and Singapore markets (as determined by the Bridging Dealer) to contribute towards trading liquidity; and
- (b) building a sufficient inventory of securities in Hong Kong to enable it to carry out arbitrage, bridging and/or trading activities during the Bridging Period.

The Alternate Bridging Dealer will only undertake arbitrage activities at the request of the Bridging Dealer.

To facilitate the bridging arrangements set out above, Stock Borrowing and Lending Agreements were entered into between Mr. Zhang Wei (the "Lender") and each of the Bridging Dealer and the Alternate Bridging Dealer on 23 March 2016 which will come into effect from the first day of the Bridging Period. Pursuant to the stock borrowing arrangements under such agreements, the Lender will make available to the Bridging Dealer and the Alternate Bridging Dealer stock lending of 48,000,000 Shares representing approximately 24.5% of the Shares in issue on one or more occasions, subject to applicable laws, rules and regulations in Singapore and Hong Kong, including without limitation that the lending and the subsequent acceptance of redelivery of any Shares by the Lender, and the borrowing and the subsequent redelivery of any Shares by the Bridging Dealer and the Alternate Bridging Dealer, will not lead to any party being obliged

to make a mandatory general offer under the Takeovers Code and/or the Singapore Code. In this regard, in compliance with the Singapore Code, the Stock Borrowing and Lending Agreements provide, inter alia, the right for the Lender to recall the borrowed Shares by giving advance notice of seven days.

Pursuant to the stock borrowing arrangements under such agreements, the 48,000,000 borrowed Shares will be allocated as to 43,000,000 Shares to the Bridging Dealer and 5,000,000 Shares to the Alternate Bridging Dealer. Such borrowed Shares will be used for settlement in connection with the arbitrage trades carried out by the Bridging Dealer and the Alternate Bridging Dealer in Hong Kong.

Additionally, to facilitate the role of the Bridging Dealer commencing from the pre-opening period (9:00 a.m. to 9:30 a.m.) on the first day of the Listing, it is proposed that the Bridging Dealer will make arrangement to build up a small inventory of Shares prior to the commencement of trading. A sale and repurchase agreement (the “**Sale and Repurchase Agreement**”) was entered on 23 March 2016 into between Mr. Zhang Wei (the “**Vendor**”) and the Bridging Dealer for the sale of 1,960,000 Shares by the Vendor as vendor to the Bridging Dealer, at a sale price based on the closing price of the Shares quoted on the SGX-ST on the date immediately before the date of the Sale and Repurchase Agreement. Conditional upon the Bridging Dealer acquiring the Shares under the Sale and Repurchase Agreement, the Bridging Dealer must sell, and the Vendor must repurchase, the equivalent number of Shares the Vendor sold under the Sale and Repurchase Agreement, at the same price as such Shares were sold, shortly after the expiry of the Bridging Period.

Based on the foregoing, waiver from strict compliance with Rule 10.07(1)(a) of the Listing Rules was therefore sought to allow the arbitrage activities as described in the section headed “Listings, Registration, Dealings and Settlement” of this listing document to take place during the Bridging Period.

### **Reasons for the waiver application**

The application for waiver from strict compliance with Rule 10.07(1)(a) of the Listing Rules is made for the following reasons:

- (a) The bridging arrangements mentioned above are measures designed to ensure liquidity for trading in the Shares and settlement of arbitrage trades upon the Listing. Arbitrage trades, by their nature, would typically contribute to reducing potential material divergence between Share prices on the Hong Kong and the Singapore markets. Besides, the bridging arrangements are perceived to be a mechanism which is fair to all market participants who have access to the Shares, as it is open to all Shareholders and other market participants who have such access to carry out arbitrage trades similar to those to be carried out by the Bridging Dealer and the Alternate Bridging Dealer (as appropriate). Although the bridging arrangements would result in a technical breach of Rule 10.07(1)(a) of the Listing Rules, they are made for the purpose of enhancing the listing process and ensuring the successful listing of the Shares on the Stock Exchange. In particular, the Sale and Repurchase Agreement was entered into (and will take effect before the commencement of trading of the Shares on the Stock Exchange) to facilitate the role of the Bridging Dealer to allow it to build up a small inventory shares in the pre-opening period (9:00 a.m. to 9:30 a.m.) on the first day of the Listing, thereby contributing towards trading liquidity of the Shares on the Hong Kong market during the Bridging Period by making available a quantity of Shares to facilitate arbitrage trades during the Bridging Period when buy and sale orders are executed on the Singapore and Hong Kong markets respectively.
- (b) Stock borrowing and lending arrangements are commonplace in initial public offerings in Hong Kong. Such arrangements are specifically covered under Rule 10.07(3) of the Listing Rules. Although the Stock Borrowing and Lending Agreements contemplated in the Listing do not fall within the remit of Rule 10.07(3), there is no breach of Rule 10.07 of the Listing Rules as the purpose of the Stock Borrowing and Lending Agreements contemplated are to allow the Bridging Dealer or the Alternate Bridging Dealer (as appropriate) to use the loaned Shares purely for settlement in connection with the arbitrage trades carried out by them in Hong Kong during the Bridging Period.
- (c) The bridging arrangements contemplated above represent the most cost-effective way of ensuring trading liquidity in the following ways:
  - (i) Under the Stock Borrowing and Lending Agreements, the Bridging Dealer and the Alternate

Bridging Dealer (as appropriate) are not required to pay the Lender any interest or consideration; and

- (ii) Under the Sale and Repurchase Agreement, the total consideration payable by the Bridging Dealer with respect to the Shares sold by the Vendor is netted against the total consideration payable by the Vendor with respect to the Shares repurchased by the Vendor on the basis that the underlying transactions are undertaken solely as part of the liquidity measures in connection with the Listing.

Given the size of the Controlling Shareholders' shareholding in our Company compared to other Shareholders in Singapore, and the alignment of the Controlling Shareholders' interest with that of our Company's in the successful outcome of the Listing, both the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement represent the most conducive and cost-effective way of ensuring trading liquidity of Shares in the Hong Kong market during the Bridging Period.

- (d) Mr. Zhang Wei will maintain a neutral position under both the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement before and after the arrangements contemplated thereunder. All Shares purchased or borrowed under both agreements will be repurchased by or returned to Mr. Zhang Wei not later than 25 Business Days after the expiry of the Bridging Period, thereby ensuring that the end-result of the shareholding of Mr. Zhang Wei in our Company remains the same before and after the arrangements contemplated under the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement. This arrangement is not aimed at circumventing the restrictions covered under Rule 10.07 of the Listing Rules.

#### **Application for waiver**

Based on the above, the Sole Sponsor has applied for and on behalf of our Company for, and the Stock Exchange has granted, a waiver from strict compliance with the restrictions under Rule 10.07(1)(a) of the Listing Rules in respect of the disposal of Shares by Mr. Zhang Wei of Shares pursuant to the Stock Borrowing Agreements and the Sale and Repurchase Agreement subject to the following conditions:

- (a) the arrangements under the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement are fully disclosed in this listing document and are for the sole purpose of facilitating the arbitrage activities in circumstances as described in the section headed "Listings, Registration, Dealings and Settlement – Bridging Arrangements – Intended Arbitrage Activities during the Bridging Period" in this listing document;
- (b) any Shares which may be made available to the Bridging Dealer or the Alternate Bridging Dealer (as appropriate) under the Stock Borrowing and Lending Agreements shall be returned to the Lender no later than 25 Business Days after the expiry of the Bridging Period;
- (c) the maximum number of Shares to be borrowed from the Lender by the Bridging Dealer and the Alternate Bridging Dealer under the Stock Borrowing and Lending Agreements is 48,000,000 Shares in aggregate representing approximately 24.5% of the Shares in issue;
- (d) the number of Shares to be sold by the Vendor to the Bridging Dealer under the Sale and Repurchase Agreement is 1,960,000 Shares, representing approximately 1% of the Shares in issue, and such Shares will be repurchased by the Vendor not later than 25 business days after the expiry of the Bridging Period;
- (e) the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement will comply with all applicable laws, rules and regulations;
- (f) no payment will be made to the Lender by the Bridging Dealer or the Alternate Bridging Dealer (as appropriate) in relation to the stock borrowing arrangements under the Stock Borrowing and Lending Agreements; and
- (g) each of the Controlling Shareholders will not dispose of his Shares during first six months following Listing other than under the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement or pursuant to the waivers granted from strict compliance with Rules 10.08 and 10.07(1)(a)

of the Listing Rules regarding the deemed disposal of Shares by the Controlling Shareholders upon any issue of Shares by our Company within the first six months from the Listing Date.

## **CONTINUING CONNECTED TRANSACTIONS**

By virtue of Rules 14A.101 of the Listing Rules, the transactions under the paragraphs headed “(B) Continuing Connected Transaction exempt from independent shareholders’ approval requirement” in the Prospectus will constitute Continuing Connected Transactions which are subject to reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

As the above non-exempt Continuing Connected Transactions are expected to continue on a recurring and continuing basis after the Listing, our Directors (including our independent non-executive Directors) consider that compliance with the above announcement requirements would be impractical, would add unnecessary administrative costs and would be unduly burdensome. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver to us under Rule 14A.105 of the Listing Rules from compliance with the announcement requirements in respect of the above non-exempt Continuing Connected Transactions.

The Sole Sponsor is of the opinion that the terms of the above non-exempt Continuing Connected Transactions including the proposed annual caps are fair and reasonable, the transactions are in the ordinary and usual course of business of our Group, on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

In addition, we confirm that we will comply with Rules 14A.34, 14A.51 to 14A.59, 14A.68(4) and 14A.71(6) of the Listing Rules in relation to the non-exempt Continuing Connected Transactions.

In the event of any future amendments to the Listing Rules imposing more stringent requirements than those applicable as of the Latest Practicable Date on the Continuing Connected Transactions referred to in this listing document, our Company will take immediate steps to ensure compliance with such new requirements within a reasonable time.



## B. Summary of foreign laws and regulations

A summary below of the major differences between the HK Listing Rules and the SGX Listing Manual, certain applicable laws and regulations of Singapore and Hong Kong, the takeover rules under the Singapore Code on Take-overs and Mergers (the “**Singapore Takeovers Code**”), the Codes on Takeovers and Mergers and Share Buy-back (the “**HK Takeovers Code**”) and certain relevant legislations concerning companies with listed securities. The summary is not meant to be a comprehensive or exhaustive description of all the relevant Singapore and Hong Kong laws, rules and regulations.

### A. SUMMARY OF THE MAJOR DIFFERENCES BETWEEN THE HK LISTING RULES AND THE SGX LISTING MANUAL AND CERTAIN APPLICABLE SINGAPORE AND HONG KONG LAWS

#### HK LISTING RULES AND HONG KONG LAWS

#### SGX LISTING MANUAL AND SINGAPORE LAWS

##### REPORTING REQUIREMENTS

1. Issuers in Hong Kong are required to comply with disclosure obligations under the HK Listing Rules upon the occurrence of the events which are prescribed under such rules.

In the case that the Company makes a disclosure pursuant to Hong Kong laws, it will make the same disclosure in Singapore.

##### Chapter 13 of the HK Listing Rules: (Continuing Obligations)

##### Rule 13.09, HK Listing Rules: General Obligation of Disclosure

Without prejudice to Rule 13.10 of the HK Listing Rules, where in the view of the SEHK here is or there is likely to be a false market in an issuer’s securities, the issuer must, as soon as reasonably practicable after consultation with the SEHK, announce the information necessary to avoid a false market in its securities.

##### Rule 13.10B, HK Listing Rules: Announce Information Disclosed to Other Stock Exchanges

An issuer must announce any information released to any other stock exchange on which its securities are listed at the same time as the information is released to that other exchange.

Issuers in Singapore are required to comply with disclosure obligations under the SGX Listing Manual upon the occurrence of the events which are prescribed in the SGX Listing Manual.

In the case that the Company makes a disclosure pursuant to Singapore laws, it will make the same disclosure in Hong Kong.

##### Chapter 7 of the SGX Listing Manual (Continuing Obligations)

##### Rule 703, SGX Listing Manual: Disclosure of Material Information

- (1) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which:
  - (a) is necessary to avoid the establishment of a false market in the issuer’s securities; or
  - (b) would be likely to materially affect the price or value of its securities.
- (2) Rule 703(1) does not apply to information which it would be a breach of law to disclose.
- (3) Rule 703(1) does not apply to particular information while each of the following conditions applies:–

Condition 1: a reasonable person would not expect the information to be disclosed;

Condition 2: the information is confidential; and

Condition 3: one or more of the following applies:

  - (a) the information concerns an incomplete proposal or negotiation;

- (b) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - (c) the information is generated for the internal management purposes of the entity;
  - (d) the information is a trade secret.
- (4) In complying with the SGX-ST's disclosure requirements, an issuer must:
- (a) observe the Corporate Disclosure Policy set out in Appendix 7.1 of the SGX Listing Manual, and
  - (b) ensure that its directors and executive officers are familiar with the SGX-ST's disclosure requirements and Corporate Disclosure Policy.
- (5) The SGX-ST will not waive any requirements under this Rule.

**Rule 13.51, HK Listing Rules: Notification on Changes**

An issuer must publish an announcement as soon as practicable in respect of:

- (1) any proposed alteration of the issuer's memorandum or articles of association or equivalent documents;
- (2) any changes in its directorate or supervisory committee, and shall procure that each new director or supervisor or member of its governing body shall sign and lodge with the SEHK as soon as practicable after their appointment a declaration and undertaking;
- (3) any change in the rights attaching to any class of listed securities and any change in the rights attaching to any shares into which any listed debt securities are convertible or exchangeable;
- (4) any change in its auditors or financial year end, the reason(s) for the change and any other matters that need to be brought to the attention of holders of securities of the issuer;
- (5) any change in its secretary, share registrar (including any change in overseas branch share registrar) or registered address or where applicable, agent for the service of process in Hong Kong or registered office or registered place of business in Hong Kong;
- (6) any change in its compliance adviser; and
- (7) any revision of interim reports, annual reports or summary financial reports, the reason leading to the revision of published financial reports, and the financial impacts.

**Rule 704, SGX Listing Manual: Announcement of Specific Information**

In addition to Rule 703, an issuer must immediately announce the following:–

**General**

- (1) Any change of address of the registered office of the issuer or of any office at which the register of members or any other register of securities of the issuer is kept.
- (2) Any proposed alteration to the memorandum of association or articles of association or constitution of the issuer (note also that Rule 730 requires issuers to seek the SGX-ST's approval for any alteration to their Articles or constituent documents).
- (4) Any call to be made on partly paid securities of the issuer or of any of its principal subsidiaries.
- (5) Any qualification or emphasis of a matter by the auditors on the financial statements of:–
  - (a) the issuer; or
  - (b) any of the issuer's subsidiaries or associated companies, if the qualification or emphasis of a matter has a material impact on the issuer's consolidated accounts or the group's financial position.
- (6) If an issuer has previously announced its preliminary full-year results, any material adjustment to the issuer's preliminary full-year results made subsequently by auditors.

### **Rule 13.25A, HK Listing Rules: Changes in Issued Shares**

- (1) An issuer must, whenever there is a change in its issued shares as a result of or in connection with any of the events referred to in Rule 13.25A(2), submit for publication on the SEHK's website information as the SEHK may from time to time prescribe by not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day next following the relevant event.
- (2) The events referred to in Rule 13.25A(1) are as follows:
  - (a) any of the following:
    - (i) placing;
    - (ii) consideration issue;
    - (iii) open offer;
    - (iv) rights issue;
    - (v) bonus issue;
    - (vi) scrip dividend;
    - (vii) repurchase of shares or other securities;
    - (viii) exercise of an option under the issuer's share option scheme by any of its directors;
    - (ix) exercise of an option other than under the issuer's share option scheme by any of its directors;
    - (x) capital reorganisation; or
    - (xi) change in issued shares not falling within any of the categories referred to in Rule 13.25A(2)(a)(i) to (x) or Rule 13.25A(2)(b); and
  - (b) Subject to Rule 13.25A(3), any of the following:
    - (i) exercise of an option under a share option scheme other than by a director of the issuer;
    - (ii) exercise of an option other than under a share option scheme not by a director of the issuer;
    - (iii) exercise of a warrant;
    - (iv) conversion of convertible securities; or
    - (v) redemption of shares or other securities.
- (3) The disclosure obligation for an event in Rule 13.25A(2)(b) only arises where:
  - (a) the event, either individually or when aggregated with any other

### **Appointment or cessation of service**

- (7)
  - (a) Any appointment or cessation of service of a key person such as a director, chief executive officer, chief financial officer, chief operating officer, general manager, qualified person or other executive officer of equivalent authority, company secretary, registrar or auditors of the issuer. The announcement of an appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager, qualified person or other executive officer of equivalent authority must contain the information contained in Appendix 7.4.1 or Appendix 7.4.2, as the case may be.
  - (b) In the case of a cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, such persons must inform the SGX-ST in writing as soon as possible if he is aware of any irregularities in the issuer which would have a material impact on the group, including financial reporting.
- (8) Any appointment or reappointment of a director to the audit committee.
- (9) Any appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the issuer to a managerial position in the issuer or any of its principal subsidiaries.
- (10) Any promotion of an appointee referred to in Rule 704(9).
- (11) Any appointment of, or change in legal representative(s) (or person(s) of equivalent authority, however described), appointed as required by any relevant law applicable to the issuer and/or any of its principal subsidiaries, with sole powers to represent, exercise rights on behalf of, the issuer and/or that principal subsidiary.
- (12) For issuers with principal subsidiaries based in jurisdictions other than Singapore, any of its independent directors' appointment or cessation of service from the boards of these principal subsidiaries.
- (13) Within 60 days after each financial year,

events described in that rule which have occurred since the listed issuer published its last monthly return under Rule 13.25B or last return under this Rule 13.25A (whichever is the later), results in a change of 5.0% or more of the listed issuer's issued shares; or

- (b) an event in Rule 13.25A(2)(a) has occurred and the event in Rule 13.25A(2)(b) has not yet been disclosed in either a monthly return published under Rule 13.25B or a return published under this Rule 13.25A.
- (4) For the purposes of Rule 13.25A(3), the percentage change in the listed issuer's issued shares is to be calculated by reference to the listed issuer's total number of issued shares as it was immediately before the earliest relevant event which has not been disclosed in a monthly return published under Rule 13.25B or a return published under this Rule 13.25A.

#### **Rule 13.25B, HK Listing Rules: Monthly Return**

A listed issuer shall, by no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the fifth business day next following the end of each calendar month, submit for publication on the SEHK's website a monthly return in relation to movements in the listed issuer's equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the SEHK may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities, debt securities and any other securitised instruments, as applicable, issued and which may be issued pursuant to options, warrants, convertible securities or any other agreements or arrangements.

#### **General Meetings**

##### **Rule 13.73, HK Listing Rules: Notices**

The issuer shall ensure that notice of every meeting of its shareholders or its creditors concerning the issuer (e.g. for winding up

the issuer must make an announcement of each person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer as set out in Appendix 7.2 Part II. If there are no such persons, the issuer must make an appropriate negative statement. The SGX-ST may require the issuer to provide additional information on any such person, including his remuneration, any changes to his duties, responsibilities and remuneration package.

#### **Appointment of Special Auditors**

- (14) The SGX-ST may require an issuer to appoint a special auditor to review or investigate the issuer's affairs and report its findings to the SGX-ST or the issuer's audit committee or such other party as the SGX-ST may direct. The issuer may be required by the SGX-ST to immediately announce the requirement, together with such other information as the SGX-ST directs. The issuer may be required by the SGX-ST to announce the findings of the special auditors.

#### **General Meetings**

- (15) The date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting

petitions, schemes of arrangement or capital reduction) is published in accordance with Rule 2.07C of the HK Listing Rules. The issuer shall despatch a circular to its shareholders at the same time as (or before) the issuer gives notice of the general meeting to approve the transaction referred to in the circular. The issuer shall provide its shareholders with any material information on the subject matter to be considered at a general meeting that comes to the directors' attention after the circular is issued. The issuer must provide the information either in a supplementary circular or by way of an announcement in accordance with Rule 2.07C not less than ten (10) business days before the date of the relevant general meeting to consider the subject matter. The meeting must be adjourned before considering the relevant resolution to ensure compliance with this ten (10) business day requirement by the chairman or, if that is not permitted by the issuer's constitutional documents, by resolution to that effect.

#### **Rules 13.39(4) and (5), HK Listing Rules: Meetings of Shareholders**

Any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

The issuer must announce the meeting's poll results as soon as possible, but in any event at least thirty (30) minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the business day after the meeting.

#### **Paragraph E.1.3 in Appendix 14, HK Listing Rules: Communication with Shareholders – Effective Communication**

The issuer should arrange for the notice to shareholders to be sent for annual general meetings at least twenty (20) clear business days before the meeting and to be sent at least ten (10) clear business days for all other general meetings.

#### **Rule 13.23(1), HK Listing Rules: Notifiable Transactions, Connected Transactions, Takeovers and Share Repurchases**

An issuer must announce details of acquisitions and realisations of assets and

(excluding the date of notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days before the meeting (excluding the date of notice and the date of meeting).

- (16) All resolutions put to a general meeting of an issuer, and immediately after such meeting, whether or not the resolutions were passed.

#### **Rule 730A, SGX Listing Manual: Facilitating Interaction with Shareholders**

- (1) An issuer shall hold all its general meetings in Singapore, unless prohibited by relevant laws and regulations in the jurisdiction of its incorporation.
- (2) All resolutions at general meetings shall be voted by poll.
- (3) At least one scrutineer shall be appointed for each general meeting. The appointed scrutineer(s) shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s).
- (4) The appointed scrutineer shall exercise the following duties:
  - (a) ensuring that satisfactory procedures of the voting process are in place before the general meeting; and
  - (b) directing and supervising the count of the votes cast through proxy and in person.

#### **Rule 704, SGX Listing Manual: Announcement of Specific Information Acquisitions and Realisations**

- (17) Any acquisition of:
  - (a) shares resulting in the issuer holding

other transactions required by Chapters 14 and 14A of the HK Listing Rules and, where applicable, must circularise holders of its listed securities with their details and obtain their approval thereto.

#### **Rules 14.06 and 14.07, HK Listing Rules: Classification and Explanation of Terms**

Under Chapter 14 of the HK Listing Rules, the transaction classification is made by using the percentage ratios set out in Rule 14.07. The classifications are:

- (1) share transaction: an acquisition of assets (excluding cash) by a listed issuer where the consideration includes securities for which listing will be sought and where all percentage ratios are less than 5.0%;
- (2) discloseable transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 5.0% or more, but less than 25.0%;
- (3) major transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 25.0% or more, but less than 100.0% for an acquisition or 75.0% for a disposal;
- (4) very substantial disposal: a disposal or a series of disposals of assets by a listed issuer where any percentage ratio is 75.0% or more;
- (5) very substantial acquisition: an acquisition or a series of acquisitions of assets by a listed issuer where any percentage ratio is 100.0% or more; and
- (6) reverse takeover: an acquisition or a series of acquisitions of assets by a listed issuer which, in the opinion of the SEHK, constitutes, or is part of a transaction or arrangement or series of transactions or arrangements which constitute, an attempt to achieve a listing of the assets to be acquired and a means to circumvent the requirements for new applicants set out in Chapter 8 of the HK Listing Rules.

The relevant category that a transaction falls under depends on the following percentage ratios computed on the following bases:

- (1) assets ratio: the total assets which are the subject of the transaction divided by the total assets of the listed issuer;
- (2) profits ratio: the profits attributable to the assets which are the subject of the transaction divided by the profits of the listed issuer;
- (3) revenue ratio: the revenue attributable to the assets which are the subject of the transaction divided by the revenue of the

10.0% or more of the total number of issued shares excluding treasury shares of a quoted company;

- (b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5.0% of the issuer's latest audited consolidated net tangible assets;
  - (c) shares resulting in a company becoming a subsidiary or an associated company of the issuer; and
  - (d) shares resulting in the issuer increasing its shareholding in a subsidiary or an associated company.
- (18) Any sale of:
- (a) shares resulting in the issuer holding less than 10% of the total number of issued shares excluding treasury shares of a quoted company;
  - (b) except for an issuer which is a bank, a finance company, a securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets;
  - (c) shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer; and
  - (d) shares resulting in the issuer reducing its shareholding in a subsidiary or an associated company.
- (19) Any acquisition or disposal of shares or other assets which is required to be announced under Chapter 10 of the SGX Listing Manual.

#### **Chapter 10 of the SGX Listing Manual (Acquisitions and Realisations)**

##### **Part IV Classification of Transactions Rule 1004, SGX Listing Manual**

Under Chapter 10, transactions are classified as:-

- (a) non-discloseable transactions,
- (b) discloseable transactions;
- (c) major transactions; and

- listed issuer;
- (4) consideration ratio: the consideration divided by the total market capitalisation of the listed issuer. The total market capitalisation is the average closing price of the listed issuer's securities as stated in the SEHK's daily quotations sheets for the five (5) business days immediately preceding the date of the transaction; and
- (5) equity capital ratio: the number of shares to be issued by the listed issuer as consideration divided by the total number of the listed issuer's issued shares immediately before the transaction.

**Rule 14.34, HK Listing Rules: Notification and Announcement**

As soon as possible after the terms of a share transaction, discloseable transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover have been finalised, the listed issuer must in each case inform the SEHK and publish an announcement as soon as possible.

**Rules 14.38A to 14.57, HK Listing Rules: Additional Requirements for Major Transaction, Very Substantial Disposal, Very Substantial Acquisition, and Reverse Takeover**

For a major transaction, very substantial disposal and very substantial acquisition, the shareholders' approval is required, while the approvals from both the shareholders and the SEHK are required for a reverse takeover.

- (d) very substantial acquisitions or reverse takeovers.

**Rule 1005, SGX Listing Manual**

In determining whether a transaction falls within category (a), (b), (c) or (d) of Rule 1004, SGX-ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction.

**Rule 1006, SGX Listing Manual**

The relevant category that a transaction falls under depends on the size of the relative figures computed on the following bases:–

- (a) the net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets;
- (b) the net profits attributable to the assets acquired or disposed of, compared with the group's net profits;
- (c) the aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares;
- (d) the number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.

Transactions are categorised as follows in the SGX Listing Manual:–

- **Rule 1008(1)**: non-discloseable transaction: where all of the relative figures computed on the bases set out in Rule 1006 amount to 5.0% or less;
- **Rule 1010**: discloseable transaction: where any of the relative figures computed on the bases set out in Rule 1006 exceeds 5.0% but does not exceed 20.0%;
- **Rule 1014(1)**: major transaction: where any of the relative figures computed on the bases set out in Rule 1006 exceeds 20.0%; and
- **Rule 1015(1)**: very substantial acquisition or reverse takeover: where an acquisition of assets (whether or not the acquisition is deemed in the issuer's ordinary course of business) is one where any of the relative figures as computed on the bases set out in Rule 1006 is 100.0% or more, or is one which

will result in a change in control of the issuer, the transaction is classified as a very substantial acquisition or reverse takeover respectively.

Where a transaction is classified as a discloseable transaction, major transaction or very substantial acquisition/reverse takeover, the Company must make an immediate announcement.

For very substantial acquisitions/reverse takeovers, the issuer must also immediately announce the latest three (3) years of *pro forma* financial information of the assets to be acquired.

Further, transactions that are major transactions are conditional upon the prior approval of shareholders. Very substantial acquisitions/reverse takeovers transactions are conditional upon the approval of shareholders and the approval of the SGXST.

A circular to shareholders will need to be distributed to seek shareholders' approval.

The disclosures required to be made in such circular for these types of transactions are prescribed in the SGX Listing Manual.

#### **Rule 13.25, HK Listing Rules: Winding-up and Liquidation**

An issuer shall inform the SEHK of the happening of any of the following events as soon as it comes to its attention:

- (a) the appointment of a receiver or manager either by any court having jurisdiction or under the terms of a debenture or any application to any court having jurisdiction for the appointment of a receiver or manager, or equivalent action in the country of incorporation or other establishment, in respect of the business or any part of the business of the issuer or the property of the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the HK Listing Rules;
- (b) the presentation of any winding-up petition, or equivalent application in the country of incorporation or other establishment, or the making of any winding-up order or the appointment of a provisional liquidator, or equivalent action in the country of incorporation or other

#### **Rule 704, SGX Listing Manual: Announcement of Specific Information Winding Up, Judicial Management, etc**

- (20) Any application filed with a court to wind up the issuer or any of its subsidiaries, or to place the issuer or any of its subsidiaries under judicial management.
- (21) The appointment of a receiver, judicial manager or liquidator of the issuer or any of its subsidiaries.
- (22) Any breach of any loan covenants or any notice received from principal bankers or from the trustee of any debenture holders to demand repayment of loans granted to the issuer or any of its subsidiaries which, in the opinion of the issuer's directors, would result in the issuer facing a cash flow problem.
- (23) Where Rule 704(20), (21) or (22) applies, a monthly update must be announced regarding the issuer's financial situation. If any material development occurs between the monthly updates, it must be announced immediately.



- establishment, against or in respect of the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the HK Listing Rules;
- (c) the passing of any resolution by the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the HK Listing Rules that it be wound up by way of members' or creditors' voluntary winding-up, or equivalent action in the country of incorporation or other establishment;
  - (d) the entry into possession of or the sale by any mortgagee of a portion of the issuer's assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5.0% under any of the percentage ratios defined under Rule 14.04(9) of the HK Listing Rules; or
  - (e) the making of any final judgement, declaration or order by any court or tribunal of competent jurisdiction whether on appeal or at first instance which is not subject to any or further appeal, which may adversely affect the issuer's enjoyment of any portion of its assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5.0% under any of the percentage ratios defined under Rule 14.04(9) of the HK Listing Rules.

Rules 13.25(1)(a), (b) and (c) will apply to a subsidiary of the issuer if the value of that subsidiary's total assets, profits or revenue represents 5.0% or more under any of the percentage ratios defined under Rule 14.04(9).

**Rules 13.45(1) and (2), HK Listing Rules:  
After Board Meetings**

An issuer shall announce immediately after approval by or on behalf of the board of:—

- (1) any decision to declare, recommend or pay any dividend or to make any other distribution on its listed securities, including the rate and amount of the dividend or distribution and the expected payment date;
- (2) any decision not to declare, recommend or pay any dividend which would otherwise

**Announcement of Results, Dividends, Etc**

- (24) Any recommendation or declaration of a dividend (including a bonus or special dividend, if any), the rate and amount per share and date of payment. If dividends are not taxable in the hands of shareholders, this must be stated in the announcement and in the dividend advice to shareholders. If there is a material variation in the interim or final dividend rate compared to that for the previous corresponding period, the directors must

have been expected to have been declared, recommended or paid in due course;

state the reasons for the variation at the time the dividend is recommended or declared. If the directors decide not to declare or recommend a dividend, this must be announced.

- (25) After the end of each of the first three (3) quarters of its financial year, half year or financial year, as the case may be, an issuer must not announce any:—
- (a) dividend;
  - (b) capitalisation or rights issue;
  - (c) closing of the books;
  - (d) capital return;
  - (e) passing of a dividend; or
  - (f) sales or turnover

unless it is accompanied by the results of the quarter, half year or financial year, as the case may be, or the results have been announced.

### **Rule 13.66, HK Listing Rule: Closure of Books and Record Date**

- (1) An issuer must announce any closure of its transfer books or register of members in respect of securities listed in Hong Kong at least six (6) business days before the closure for a rights issue, or ten (10) business days before the closure in other cases. In cases where there is an alteration of book closing dates, the issuer must, at least five (5) business days before the announced closure or the new closure, whichever is earlier, notify the SEHK in writing and make a further announcement.
- (2) An issuer must ensure that the last day for trading in the securities with entitlements falls at least one (1) business day after the general meeting, if the entitlements require the approval of shareholders in the general meeting or are contingent on a transaction that is subject to the approval of shareholders in the general meeting.

### **Books Closure**

- (26) Any intention to fix a books closure date, stating the date, reason and address of the share registry at which the relevant documents will be accepted for registration. At least five (5) market days of notice (excluding the date of announcement and the books closure date) must be given for any books closure date. Issuers could consider a longer notice period, where necessary. Subject to the provisions of the Singapore Companies Act, the SGX-ST may agree to a shorter books closure period. In fixing a books closure date, an issuer must ensure that the last day of trading on a cum basis falls at least one (1) day after the general meeting, if a general meeting is required to be held.
- (27) The issuer must not close its books for any purpose until at least eight (8) market days after the last day of the previous books closure period. This rule does not prohibit identical books closure dates for different purposes.

### **Treasury Shares**

- (28) Any sale, transfer, cancellation and/or use of treasury shares, stating the following:—
- (a) date of the sale, transfer, cancellation and/or use;
  - (b) purpose of such sale, transfer, cancellation and/or use;
  - (c) number of treasury shares sold, transferred, cancelled and/or used;
  - (d) number of treasury shares before and after such sale, transfer, cancellation

- and/or use;
- (e) 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
- (f) value of the treasury shares if they are used for a sale or transfer, or cancelled.

## **Chapter 17 of the HK Listing Rules (Share Option Schemes)**

### **Rule 17.02, HK Listing Rules: Adoption of a New Scheme**

The adoption of a share option scheme for employees is subject to the approval of the shareholders of the issuer in general meeting.

### **Rule 17.03, HK Listing Rules: Terms of the Scheme**

The total number of securities which may be issued upon the exercise of all options to be granted under the scheme and any other schemes must not in aggregate exceed 10.0% of the relevant class of securities of the listed issuer (or the subsidiary) in issue as at the date of approval of the scheme. Options lapsed in accordance with the terms of the scheme will not be counted for the purpose of calculating the 10.0% limit.

The listed issuer may seek shareholders' approval in general meeting to "refresh" the 10.0% limit under the scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer (or the subsidiary) under the limit as "refreshed" must not exceed 10.0% of the relevant class of securities in issue as at the date of approval of the limit.

### **Rule 17.04(1), HK Listing Rules: Granting Options to a Director, Chief Executive or Substantial Shareholder of a Listed Issuer, or any of Their Respective Associates**

In addition to the shareholders' approval set out in note (1) to Rule 17.03(3) and the note to Rule 17.03(4), each grant of options to a director, chief executive or substantial shareholder of a listed issuer, or any of their respective associates, under a scheme of the listed issuer or any of its subsidiaries must comply with the requirements of this Rule 17.04(1). Each grant of options to any of these persons must be approved by independent

## **Employee share option scheme**

### **Rule 843(3), SGX Listing Manual**

The approval of an issuer's shareholders must be obtained for any share option scheme or share scheme implemented by:–

- (a) the issuer; and
- (b) a principal subsidiary of the issuer if the scheme may cause Rule 805(2) to apply.

### **Rule 843(4), SGX Listing Manual**

If shareholders' approval is not required pursuant to Rule 843(3), an issuer must announce the principal terms of any such share option scheme or share scheme implemented by its subsidiaries.

### **Rule 844, SGX Listing Manual**

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:–

- (1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company.
- (2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

### **Rule 845, SGX Listing Manual**

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one participant (where applicable) must be stated. For SGX-ST main board issuers, the following limits must not be exceeded:–

- (1) the aggregate number of shares available under all schemes must not exceed 15.0% of the total number of issued shares excluding treasury shares from time to time;
- (2) the aggregate number of shares available

non-executive directors of the listed issuer (excluding independent nonexecutive director who is the grantee of the options).

Where any grant of options to a substantial shareholder or an independent nonexecutive director of the listed issuer, or any of their respective associates, would result in the securities issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve (12) month period up to and including the date of such grant, (a) representing in aggregate over 0.1% of the relevant class of securities in issue; and (b) (where the securities are listed on the SEHK), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HKD five million (5,000,000), such further grant of options must be approved by shareholders of the listed issuer. The listed issuer must send a circular to the shareholders. The grantee, his associates and all core connected persons of the listed issuer must abstain from voting in favour at such general meeting.

#### **Rule 17.06A, HK Listing Rules: Announcement on Grant of Options**

As soon as possible upon the granting by the listed issuer of an option under its share option scheme, the issuer must publish an announcement setting out the following details:–

- (1) date of grant;
- (2) exercise price of the options grant;
- (3) number of options granted;
- (4) market price of its securities on the date of grant;
- (5) where any of the grantees is a director, chief executive or substantial shareholder of the listed issuer, or an associate of any of them, the names of such grantees and the number of options granted to each of them; and
- (6) validity period of the options.

#### **2. Rules 13.46 to 13.50, HK Listing Rules: Disclosure of Financial Information**

##### **Distribution of annual report and accounts**

An issuer is required to send to (i) every member of the issuer and (ii) every other holder of its listed securities (not being bearer securities), a copy of either (a) its annual report including its annual accounts and,

to controlling shareholders and their associates must not exceed 25.0% of the shares available under a scheme;

- (3) the number of shares available to each controlling shareholder or his associate must not exceed 10.0% of the shares available under a scheme;
- (4) the aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20.0% of the shares available under a scheme; and
- (5) the maximum discount under the scheme must not exceed 20.0%. The discount must have been approved by shareholders in a separate resolution.

#### **Rule 847, SGX Listing Manual**

The exercise price of options to be granted must be set out. Options granted at a discount may be exercisable after two (2) years from the date of grant. Other options may be exercisable after one (1) year from the date of grant.

#### **Rule 704(27): Announcement on employee share option scheme**

- (29) Any grant of options or shares. The announcement must be made on the date of the offer and provide details of the grant, including the following:–
  - (a) date of grant;
  - (b) exercise price of options granted;
  - (c) number of options or shares granted;
  - (d) market price of its securities on the date of grant;
  - (e) number of options or shares granted to each director and controlling shareholder (and each of their associates), if any; and
  - (f) validity period of the options.

#### **Announcement of financial results and annual reports**

##### **Rule 705, SGX Listing Manual: Financial Statements**

- (1) An issuer must announce the financial statements for the full financial year immediately after the figures are available, but in any event not later than

where the issuer prepares consolidated financial statements, its consolidated financial statements, together with a copy of the auditors' report thereon or (b) its summary financial report not less than twenty-one (21) days before the date of the issuer's annual general meeting and in any event not more than four (4) months after the end of the financial year to which they relate.

### **Interim reports**

In respect of the first six (6) months of each financial year of an issuer unless that financial year is of six (6) months or less, the issuer shall send to (i) every member of the issuer; and (ii) every other holder of its listed securities (not being bearer securities), either (a) an interim report, or (b) a summary interim report not later than three (3) months after the end of that period of six (6) months.

### **Preliminary announcements of results – Full financial year**

An issuer shall publish its preliminary results in respect of each financial year as soon as possible, but in any event not later than the time that is thirty (30) minutes before the earlier of the commencement of the morning trading session or any preopening session on the next business day after approval by or on behalf of the board. The issuer must publish such results not later than three (3) months after the end of the financial year.

### **Preliminary announcements of results – First half of the financial year**

The issuer shall publish a preliminary announcement in respect of its results for the first six (6) months of each financial year, unless that financial year is of six (6) months or less, as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board. The issuer must publish such results not later than two (2) months after the end of that period of six (6) months.

### **Rule 4.03, HK Listing Rules: Reporting Accountants**

All accountants' reports must normally be prepared by certified public accountants who are qualified under the Professional

- 60 days after the relevant financial period.
- (2) An issuer must announce the financial statements for each of the first three (3) quarters of its financial year immediately after the figures are available, but in any event not later than 45 days after the quarter end if:–
    - (a) its market capitalization exceeded S\$75 million as at 31 March 2003; or
    - (b) it was listed after 31 March 2003 and its market capitalization exceeded S\$75 million at the time of listing (based on the IPO issue price); or
    - (c) its market capitalisation is S\$75 million or higher on the last trading day of each calendar year commencing from 31 December 2006. An issuer whose obligation falls within this sub-section (c) will have a grace period of a year to prepare for quarterly reporting. As an illustration, an issuer whose market capitalisation is S\$75 million or higher as at the end of the calendar year 31 December 2006 must announce its quarterly financial statements for any quarter of its financial year commencing in 2008. Notwithstanding the grace period, all issuers whose obligation falls under this subsection (c) are strongly encouraged to adopt quarterly reporting as soon as possible.
  - (3)
    - (a) An issuer who falls within the sub-sections in Rule 705(2) above must comply with Rule 705(2) even if its market capitalisation subsequently decreases below S\$75 million.
    - (b) An issuer who does not fall within the sub-sections in Rule 705(2) above must announce its first half financial statements immediately after the figures are available, but in any event not later than 45 days after the relevant financial period.
  - (4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705(1) or (2) following its listing on the SGX-ST, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to make the relevant announcement of the financial statements provided that the following conditions are satisfied:

Accountants Ordinance for appointment as auditors of a company and who are independent both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong Institute of Certified Public Accountants.

- (a) the extension is announced by the issuer at the time of the issuer's listing; and
  - (b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its prospectus or introductory document in connection with its listing on the SGX-ST.
- (5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by two (2) directors on behalf of the board of directors.

**Rule 712, SGX Listing Manual:  
Appointment of Auditors**

- (1) An issuer must appoint a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit.
- (2) The auditing firm appointed by the issuer must be:
  - (a) registered with the Accounting and Corporate Regulatory Authority;
  - (b) registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST; or
  - (c) any other auditing firm acceptable by the SGX-ST.
- (3) A change in auditing firm must be specifically approved by shareholders in a general meeting

**Rule 713, SGX Listing Manual**

- (1) An issuer must disclose in its annual report the date of appointment and the

name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than five (5) consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after two (2) years.

- (2) If the listing of an issuer occurs after five (5) consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in which the issuer lists.

#### **Rule 707, SGX Listing Manual**

- (1) The time between the end of an issuer's financial year and the date of its annual general meeting (if any) must not exceed four (4) months.
- (2) An issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

#### **Rule 723, SGX Listing Manual**

An issuer must ensure that at least 10.0% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

#### **Rule 724, SGX Listing Manual**

- (1) If the percentage of securities held in public hands falls below 10.0%, the issuer must, as soon as practicable, make an announcement and the SGX-ST may suspend trading of the class, or all of the securities of the issuer.
- (2) The SGX-ST may allow the issuer a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10.0%, failing which the issuer may be delisted.

#### **Obligation to notify the Company and SGX-ST of substantial shareholding and change in substantial shareholding**

##### **Substantial shareholder**

Under the Singapore Companies Act (Cap 50) ("Singapore Companies Act"), a substantial shareholder (i.e. shareholder having not less than 5.0% of the total votes attached to all the

### **3. Public Float Requirement**

#### **Chapter 8 of the HK Listing Rules: (Qualifications for Listing)**

#### **Rule 8.08(1), HK Listing Rules: Qualifications for listing**

Save and except for the circumstances specified under Chapter 8 of the HK Listing Rules, an issuer must ensure that at least 25.0% of its total number of issued shares is at all times held by the public.

### **4. Shareholders' Reporting Obligations**

#### **Obligation to notify the Company and SGX-ST of substantial shareholding and change in substantial shareholding**

The HK Listing Rules require that the interests held by directors and chief executives and

substantial shareholders (i.e. shareholders interested in 10.0% or more of the voting power) be disclosed in annual reports, interim reports and circulars of the listed company.

The SFO and the Outline of Part XV of the SFO – Disclosure of Interests issued by the Securities and Futures Commission provides that a substantial shareholder (i.e. shareholder interested in 5.0% or more of the shares in the listed company) is required to disclose his interest, and short positions, in the shares of the listed company, within ten (10) business days after first becoming a substantial shareholder, or to disclose his changes in percentage figures of his shareholdings in the listed company or ceasing to be a substantial shareholder within three (3) business days after becoming aware of the relevant events. Please refer to Section 2.7 of the Outline for examples of relevant events.

voting shares in the company) of a company shall within two (2) business days after becoming a substantial shareholder, or when there is a change in the percentage level (as defined in the Singapore Companies Act) of the substantial shareholder's interest, or when he ceases to be a substantial shareholder, give notice in writing to the company.

Under the Securities and Futures Act (Cap 289) (“SFA”), a substantial shareholder shall within two (2) business days after becoming a substantial shareholder, or when there is a change in the percentage level of the substantial shareholder's interest, or when he ceases to be a substantial shareholder give notice in writing to the SGX-ST.

### **Section 81 of the Singapore Companies Act**

A person has a substantial shareholding in a company if he has an “interest” in one (1) or more voting shares in the company, and the total votes attached to those shares is not less than 5.0% of the total votes attached to all the voting shares in the company.

### **Section 82 of the Singapore Companies Act**

A substantial shareholder of a company is required to notify the company of his “interests” in the voting shares in the company within two (2) business days after becoming a substantial shareholder.

### **Sections 83 and 84 of the Singapore Companies Act**

A substantial shareholder is required to notify the company of changes in the “percentage level” of his shareholding or his ceasing to be a substantial shareholder, again within two (2) business days after he becomes aware of such changes.

The reference to changes in “percentage level” means any changes in a substantial shareholder's interest in the company which results in his interest, following such change, increasing or decreasing to the next discrete 1.0% threshold. For example, an increase in interests in the company from 5.1% to 5.9% need not be notified, but an increase from 5.9% to 6.1% will have to be notified.

### **Sections 135 to 137, SFA**

A substantial shareholder is also required to give the above notifications to the SGX-ST at



5. **Part XV of the SFO: Disclosure of Interests by Directors and Chief Executives**

A director or a chief executive of a listed company is required to disclose his interest and short position in any shares in a listed company (or any of its associated companies) and their interest in any debentures of the listed company (or any of its associated companies) within ten (10) business days after becoming a director or chief executive of the listed company or within three (3) business days after becoming aware of the relevant events.

If a person, who is both a substantial shareholder and a director of the listed company concerned under the SFO, such person may have separate duties to file notices (one in each capacity) as a result of a single event. For example, a person who is interested in 5.9% of the shares of a listed company and buys a further 0.2% will have to file a notice because he is a director (and therefore has to disclose all transactions) and will also have to file a notice as a substantial shareholder because his interest has crossed the 6.0% level.

the same time.

**Directors**

Under Section 164(1) of the Singapore Companies Act, a company shall keep a register showing with respect to each director of the company particulars of:–

- (a) shares;
- (b) debentures of or participatory interests;
- (c) rights or options of the director; and
- (d) contracts to which the director or under which he is entitled to a benefit,

of the company or a related company.

A director of a company shall be deemed to hold or have an interest or a right in or over any shares or debentures if the spouse or infant child of the director holds or has an interest or a right in or over any shares or debentures or makes or is granted any contract, assignment or right of subscription.

Under Section 165(1) of the Singapore Companies Act, a director of a company shall give notice in writing to the company of such particulars relating to shares, debentures, participatory interests, rights, options and contracts as are necessary for the purposes of compliance by the firstmentioned company with Section 164, among other disclosure requirements.

**Securities and Futures (Amendment) Act 2009**

The Securities and Futures (Amendment) Act 2009 (the “**Amendment Act**”) has, *inter alia*, migrated all the disclosure obligations in the Singapore Companies Act into the Singapore SFA and has also introduced new disclosure requirements, for example, the requirement for foreign incorporated companies which have a primary listing on the SGX-ST to comply with the disclosure obligations in the Singapore SFA. The new amendments to the Singapore SFA expand the current scope of disclosure obligations.

Under the Amendment Act, the disclosure obligations currently under the Singapore SFA and the Singapore Companies Act have been consolidated and inserted into the Singapore SFA.

**Duty of director or chief executive officer to notify corporation of his interests**

## Sections 133 and 134 of the SFA

Section 133 of the SFA stipulates that every director and chief executive officer of a corporation shall give notice in writing to the corporation of particulars of, inter alia, shares in the corporation; or a related corporation of the corporation, which he holds, or in which he has an interest and the nature and extent of that interest, within two (2) business days after:

- (a) the date on which the director or chief executive officer becomes such a director or chief executive officer; or
- (b) the date on which the director or chief executive officer becomes a holder of, or acquires an interest in, the shares,

whichever last occurs.

Under Section 134, any director or chief executive officer of a corporation who intentionally or recklessly contravenes Section 133 in relation to the disclosure of shares held in the corporation, or furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

### **Power of corporation to require disclosure of beneficial interest in its voting shares**

Any corporation may, under Section 137F of the SFA, require any member of the corporation within such reasonable time as is specified in the notice (which shall comply with the requirements stipulated by the Monetary Authority of Singapore):

- (a) to inform it whether he holds any voting shares in the corporation as beneficial owner or as trustee; and
- (b) if he holds them as trustee, to indicate so far as he can the persons for whom he holds them (either by name or by other particulars sufficient to enable those persons to be identified) and the nature of their interest.

Whenever a corporation receives information from a person pursuant to a requirement imposed on him under this section with respect to shares held by a member of the corporation, it shall be under an obligation to inscribe against the name of that member in a separate part of the register kept by it under Section 137C:

- (i) the fact that the requirement was imposed and the date on which it was imposed; and
- (ii) the information received pursuant to the requirement.

Any person who intentionally or recklessly contravenes the requirement to comply with the notice, or in purported compliance with the requirement, furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

### **Duty of corporation to make disclosure**

#### **Section 137G of the SFA**

Where a corporation has been notified in writing by a director or chief executive officer of the corporation or a substantial shareholder in respect of a change in the particulars of his shareholdings, the corporation shall announce or otherwise disseminate the information stated in the notice to the securities market operated by the securities exchange on whose official list any or all of the shares of the corporation are listed, as soon as practicable and in any case, no later than the end of the business day following the day on which the corporation received the notice.

Any corporation that intentionally or recklessly contravenes this duty of disclosure; or in purported compliance, announces or disseminates any information knowing that it is false or misleading in a material particular or reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues

## **Restrictions and Notification Requirements on Issuers Purchasing Their Own Shares on a Stock Exchange**

### **Rule 10.05, HK Listing Rules**

Subject to the provisions of the Code on Share Buy-backs, an issuer may purchase its shares on the SEHK or on another stock exchange recognised for this purpose by the Commission and the SEHK. All such purchases must be made in accordance with Rule 10.06 of the HK Listing Rules. The Code on Share Buy-backs must be complied with by an issuer and its directors and any breach thereof by an issuer will be a deemed breach of the HK Listing Rules and the SEHK may in its absolute discretion take such action to penalise any breach of this paragraph or the listing agreement as it shall think appropriate. It is for the issuer to satisfy itself that a proposed purchase of shares does not contravene the Code on Share Buy-backs.

### **Rule 10.06, HK Listing Rules**

An issuer with primary listing on SEHK may only purchase its shares on the SEHK if the relevant shares are fully-paid up, the issuer has previously sent to its shareholders an explanatory statement complying with the provisions of Rule 10.06(1)(b) of the HK Listing Rules and that the shareholders of the issuer have given a specific approval or a general mandate to the directors to make such a purchase, provided that the amount of shares so purchased under the general mandate shall not exceed 10.0% of the number of issued shares of the issuer as at the date of the passing of the relevant shareholders' resolution granting the mandate of purchase.

#### **Rule 10.06(1)(b), HK Listing Rules: Explanatory statement**

For the purpose of obtaining shareholders' approval, the issuer must have previously sent to its shareholders an explanatory statement containing all the information reasonably necessary to enable those shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the purchase by the issuer of shares including the information set out below:–

- (1) a statement of the total number and description of the shares which the issuer proposes to purchase;

after conviction.

## **Share Buyback**

### **(a) Shareholder Approval**

#### **Rule 881, SGX Listing Manual**

An issuer may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting.

#### **Rule 882, SGX Listing Manual**

A share buy-back may only be made by way of on-market purchases transacted through the SGX-ST's trading system or on another stock exchange on which the issuer's equity securities are listed (“**market acquisition**”) or by way of an off-market acquisition in accordance with an equal access scheme as defined in Section 76C of the Singapore Companies Act. Unless a lower limit is prescribed under the issuer's law of incorporation, such share buy-back shall not exceed 10.0% of the total number of issued ordinary shares in the capital of the issuer as at the date of the resolution passed by shareholders for the share buy-back.

#### **Rule 883, SGX Listing Manual**

For the purpose of obtaining shareholder approval, the issuer must provide at least the following information to shareholders:–

- (1) the information required under the Singapore Companies Act;
- (2) the reasons for the proposed share buy-back;
- (3) the consequences, if any, of share purchases by the issuer that will arise under the Singapore Takeovers Code or other applicable takeover rules;
- (4) whether the share buy-back, if made, could affect the listing of the issuer's equity securities on the SGX-ST;
- (5) details of any share buy-back made by the issuer in the previous 12 months, giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (6) whether the shares purchased by the issuer will be cancelled or kept as treasury shares.

### **(b) Dealing Restrictions:**

- (2) a statement by the directors of the reasons for the proposed purchase of shares;
- (3) a statement by the directors as to the proposed source of funds for making the proposed purchase of shares, which shall be funds legally available for such purposes in accordance with the issuer's constitutive documents and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;
- (4) a statement as to any material adverse impact on the working capital or gearing position of the issuer (as compared with the position disclosed in its most recent published audited accounts) in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period, or an appropriate negative statement;
- (5) a statement of the name of any directors, and to the best of the knowledge of the directors having made all reasonable enquiries, any close associates of the directors, who have a present intention, in the event that the proposal is approved by shareholders, to sell shares to the issuer, or an appropriate negative statement;
- (6) a statement that the directors have undertaken to the SEHK to exercise the power of the issuer to make purchases pursuant to the proposed resolution in accordance with the HK Listing Rules and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;
- (7) a statement as to the consequences of any purchases which will arise under the HK Takeovers Code of which the directors are aware, if any;
- (8) a statement giving details of any purchases by the issuer of shares made in the previous six (6) months (whether on SEHK or otherwise) giving the date of each purchase and the purchase price per share or the highest and lowest prices paid for such purchases, where relevant;
- (9) a statement as to whether or not any core connected persons of the issuer have notified the issuer that they have a present intention to sell shares to the issuer or have undertaken not to sell any of the shares held by them to the issuer, in the event that the issuer is authorised to make purchases of shares;
- (10) a statement giving the highest and lowest prices at which the relevant shares have traded on SEHK during each of the previous twelve (12) months; and
- (11) the disclaimer of SEHK in the form set

#### **Rule 884, SGX Listing Manual**

In the case of a Market Purchase, the purchase price must not exceed 105.0% of the average closing price (“**Average Closing Price**”).

“Average Closing Price” means the average of the closing market prices of a share over the last five (5) market days preceding the day of the market purchase on which transactions in the shares were recorded and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period.

#### **Rule 885, SGX Listing Manual**

In the case of off-market acquisition in accordance with an equal access scheme, an issuer must issue an offer document to all shareholders containing at least the following information:–

- (1) terms and conditions of offer;
- (2) period and procedures for acceptances; and
- (3) information in Rule 883(2), (3), (4), (5) and (6).

#### **(c) Reporting Requirements**

##### **Rule 886(1), SGX Listing Manual**

Where an issuer purchases its shares by way of a market purchase, the issuer shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9:00 a.m. on the market day following the day of purchase of any of its shares.

In a case of an off market purchase under an equal access scheme, an issuer must notify the SGX-ST by 9:00 a.m. on the second market day after the close of acceptances of the offer.

##### **Rule 886(2), SGX Listing Manual**

Notification of a purchase by the issuer of its shares must be in the form of Appendix 8.3.2 of the SGX Listing Manual for an issuer with a dual listing on another stock exchange. Such notification would include, *inter alia*, the name of the overseas exchange on which the company's shares are also listed, the maximum number of shares authorised for purchase, details of the total number of shares authorised for purchase, the date of purchases, the total number of shares purchased, the purchase price per share, the highest and lowest prices paid for such shares, the total purchase consideration, the cumulative

out under the HK Listing Rules.

number of shares purchased to date and the number of issued shares after the purchase.

**Rule 10.06(2), HK Listing Rules: Dealing Restrictions**

The buy-back of shares by an issuer is subject to various dealing restrictions, including, among others, that an issuer shall not purchase its shares on SEHK if the purchase price is higher by 5.0% or more than the average closing market price for the five (5) preceding trading days on which its shares were traded on SEHK.

**Rule 10.06(4), HK Listing Rules: Reporting Requirements**

- (1) An issuer is required to submit for publication to SEHK not later than thirty (30) minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase of shares (whether on the SEHK or otherwise), the total number of shares purchased by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases, where relevant, and shall confirm that those purchases which were made on the SEHK were made in accordance with the HK Listing Rules and if the issuer's primary listing is on the SEHK, that there have been no material changes to the particulars contained in the explanatory statement. In respect of purchases made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the SEHK may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the SEHK. The issuer should make arrangements with its brokers to ensure that they provide to the issuer in a timely fashion the necessary information to enable the issuer to make the report to the SEHK.
- (2) An issuer is also required to include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the SEHK or otherwise) and the purchase price per

share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The directors' report shall contain reference to the purchases made during the year and the directors' reasons for making such purchases.

### **Solicitation for Proxy**

Investors holding securities in listed companies listed on SEHK through CCASS who want to attend the shareholders' meetings in person or appoint proxies to vote on their behalf have to solicit for proxy by giving instructions to CCASS directly or through their broker firms (as the case may be) to authorise the investors as corporate representatives or proxies of Hong Kong Securities Clearing Company Limited Nominees (or any successor thereto) in respect of such shareholding of the investors in the listed companies.

Depositors who wish to attend and vote at the extraordinary general meeting, and whose names are shown in the records of the Central Depository (Pte) Limited ("CDP") as at a time not earlier than 48 hours prior to the time of the extraordinary general meeting supplied by CDP to the company, may attend the extraordinary general meeting in person. Such depositors who are individuals and who wish to attend the extraordinary general meeting in person need not take any further action and can attend and vote at the extraordinary general meeting.

### **Issuance of New Shares, Convertible Bonds or Bonds with Warrants**

#### **Sections 140 and 141, Companies Ordinance: Allotment and Issues of Shares**

The directors of a company may exercise a power (i) to allot shares in the company; or (ii) to grant rights to subscribe for, or to convert any security into, shares in the company, only if the company gives approval in advance by resolution of the company.

#### **Rules 13.36(1) to (3) HK Listing Rules: Pre-emptive Rights**

Except in the circumstances, mentioned in Rule 13.36(2) of the HK Listing Rules:

- (a) the directors of the issuer shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting: (i) shares; (ii) securities convertible into shares; or (iii) options, warrants or similar rights to subscribe for any shares or such convertible securities; and
- (b) the directors of the issuer shall obtain consent of the shareholders in general meeting prior to allotting any voting shares if such allotment would effectively alter the control of the issuer.

No such consent as is referred to in Rule 13.36(1)(a) shall be required:

#### **Power of Directors to Allot and Issue Shares**

The power to issue shares in a company is usually vested with the directors of that company subject to any restrictions in the articles of association of that company.

However, notwithstanding anything to the contrary in the articles of association of a company, prior approval of the company at a general meeting is required to authorize the directors to exercise any power of the company to issue shares. Such approval need not be specific but may be general.

#### **Rule 805, SGX Listing Manual**

Except as provided in Rule 806, an issuer must obtain the prior approval of shareholders in general meeting for the following:–

- (1) the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer; or
- (2) if a principal subsidiary of an issuer issues shares or convertible securities or options that will or may result in:–
  - (a) the principal subsidiary ceasing to be a subsidiary of the issuer; or
  - (b) a percentage reduction of 20.0% or more of the issuer's equity interest in

- (a) for the allotment, issue or grant of such securities pursuant to an offer made to the shareholders of the issuer which excludes for that purpose any shareholder that is resident in a place outside Hong Kong provided the directors of the issuer consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place and, where appropriate, to holders of other equity securities of the issuer entitled to be offered them, pro rata (apart from fractional entitlements) to their existing holdings; or
- (b) if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of (i) 20% of the number of issued shares of the issuer as at the date of the resolution granting the general mandate (or in the case of a scheme of arrangement involving an introduction in the circumstances set out in Rule 7.14(3), 20% of the number of issued shares of an overseas issuer following the implementation of such scheme) and (ii) the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the number of issued shares of the issuer as at the date of the resolution granting the repurchase mandate), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of

the principal subsidiary.

#### **Rule 806(1), SGX Listing Manual**

A company need not obtain the prior approval of shareholders in a general meeting for the issue of securities if the shareholders had by ordinary resolution in a general meeting, given a general mandate to the directors of the issuer to issue:

- (i) shares; or
- (ii) convertible securities; or
- (iii) additional convertible securities issued pursuant to Rule 829, notwithstanding that the general mandate may have ceased to be in force at the time the securities are issued, provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or
- (iv) shares arising from the conversion of the securities in (ii) and (iii) notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued.

#### **Rule 806(2), SGX Listing Manual**

A general mandate must limit the aggregate number of shares and convertible securities that may be issued. The limit must be not more than 50.0% of the total number of issued shares excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20.0% of the total number of issued shares excluding treasury shares.

Unless prior shareholder approval is required under the SGX Listing Manual, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.

#### **Rule 806(6), SGX Listing Manual**

A general mandate may remain in force until the earlier of the following:—

- (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution. By an ordinary resolution passed at that meeting, the mandate may be renewed, either unconditionally or subject to conditions; or
- (b) it is revoked or varied by ordinary



the issuer to add such repurchased securities to the 20% general mandate.

A general mandate to directors to issue and allot shares shall only continue in force until (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution at which time it shall lapse, unless such mandate is renewed by ordinary resolution passed at that meeting; or (b) revoked or varied by ordinary resolution of the shareholders at general meeting, whichever occurs first.

#### **Rule 13.36(5), HK Listing Rules: Placing of Securities for Cash**

In the case of a placing of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given under Rule 13.36 (2)(b) if the relevant price represents a discount of 20% or more to the benchmarked price of the securities, such benchmarked price being the higher of:-

- (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate; and
- (b) the average closing price in the five (5) trading days immediately prior to the earlier of:-
  - (i) the date of the announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate;
  - (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate; and
  - (iii) the date on which the placing or subscription price is fixed,

unless the issuer can satisfy the SEHK that it is in a serious financial position and that the only way it can be saved is by an urgent rescue operation which involves the issue of new securities at a price representing a discount of 20% or more to the benchmarked price of the securities or that there are other exceptional circumstances. The issuer shall provide the SEHK with detailed information on the allottees to be issued with securities under the general mandate.

resolution of the shareholders in general meeting.

#### **Specific Mandate Rule 824, SGX Listing Manual**

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

#### **Issue of Shares, Company Warrants and Convertible Securities For Cash (Other than Rights Issues)**

##### **Rule 811, SGX Listing Manual**

(1) An issue of shares must not be priced at more than 10.0% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed.

##### **Rule 811(2): Issuance of warrants and other convertible securities Rule 811(2), SGX Listing Manual**

An issue of company warrants or other convertible securities is subject to the following requirements:-

- (a) if the conversion price is fixed, the price must not be more than 10.0% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement; and
- (b) if the conversion price is based on a formula, any discount in the pricefixing formula must not be more than 10.0% of the prevailing market price of the underlying shares before conversion.

##### **Rule 811(3), SGX Listing Manual**

Rules 811(1) and (2) are not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.

### **Rule 15.02, HK Listing Rules: Options, Warrants and Similar Rights**

All warrants must, prior to the issue or grant thereof, be approved by the SEHK and in addition, where they are warrants to subscribe equity securities, by the shareholders in general meeting. In the absence of exceptional circumstances which would include, by way of example, a rescue reorganisation, the SEHK will only grant approval to the issue or grant of warrants to subscribe securities if the following requirements are complied with:

- (a) the securities to be issued on exercise of the warrants must not, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20.0% of the number of issued shares of the issuer at the time such warrants are issued. Options granted under employee or executive share schemes which comply with Chapter 17 of the HK Listing Rules are excluded for the purpose of this limit ; and
- (b) such warrants must expire not less than one (1) and not more than five (5) years from the date of issue or grant and must not be convertible into further rights to subscribe securities which expire less than one (1) year or more than five (5) years after the date of issue or grant of the original warrants.

### **Rule 15.03, HK Listing Rules**

The circular or notice to be sent to shareholders convening the requisite meeting under Rule 15.02 must include, at least, the maximum number of securities which could be issued on exercise of the warrants, the period during which the warrants may be exercised and the date when this right commences, the amount payable on the exercise of the warrants, the arrangements for transfer or transmission of the warrants, the rights of the holders on the liquidation of the issuer, the arrangements for the variation in the subscription or purchase price or number of securities to take account of alterations to the share capital of the issuer, the rights (if any) of the holders to participate in any distributions and/or offers of further securities

### **Rule 811(4), SGX Listing Manual**

Where specific shareholders' approval is sought, the circular must include the following:–

- (a) information required under Rule 810 of the SGX Listing Manual; and
- (b) the basis upon which the discount was determined.

### **Rule 824, SGX Listing Manual**

Every issue of company warrants or other convertible securities not covered under a general mandate (Rule 806, SGX Listing Manual) must be specifically approved by shareholders in general meeting.

### **Rule 825, SGX Listing Manual**

In procuring the approval of shareholders in a general meeting, the circular to the shareholders must include the recommendations of the board of directors of the issuer on such an issue of company warrants or convertible securities and the basis for such recommendation(s).

### **Rule 826, SGX Listing Manual**

If application is made for the listing of company warrants or other convertible securities, the SGX-ST will normally require a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants.

### **Rule 827, SGX Listing Manual**

Company warrants or other convertible securities may be listed only if the underlying securities are (or will become at the same time) one of the following:–

- (1) a class of equity securities listed on the SGX-ST; or
- (2) a class of equity securities listed or dealt in on a stock market approved by the SGX-ST.

### **Rule 828, SGX Listing Manual**

Each company warrant must:–

- (1) give the registered holder the right to subscribe for or buy one (1) share in the total number of issued shares excluding treasury shares of the issuer; and

made by the issuer, and a summary of any other material terms of the warrants.

(2) not be expressed in terms of dollar value.

#### **Rule 829, SGX Listing Manual**

The terms of the issue must provide for:–

- (1) adjustment to the exercise or conversion price and, where appropriate, the number of company warrants or other convertible securities, in the event of rights, bonus or other capitalisation issues;
- (2) the expiry of the company warrants or other convertible securities to be announced, and notice of expiry to be sent to all holders of the company warrants or other convertible securities at least one (1) month before the expiration date; and
- (3) any material alteration to the terms of company warrants or other convertible securities after issue to the advantage of the holders of such securities to be approved by shareholders, except where the alterations are made pursuant to the terms of the issue.

#### **Rule 830, SGX Listing Manual**

An issuer must announce any adjustment made pursuant to Rule 829(1).

#### **Rule 831, SGX Listing Manual**

Except where the alterations are made pursuant to the terms of an issue, an issuer must not:–

- (i) extend the exercise period of an existing company warrant;
- (ii) issue a new company warrant to replace an existing company warrant;
- (iii) change the exercise price of an existing company warrant; or
- (iv) change the exercise ratio of an existing company warrant.

#### **Rule 832, SGX Listing Manual**

A circular or notice to be sent to shareholders in connection with a general meeting to approve the issue of company warrants or other convertible securities must include at least the following information:–

- (1) the maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities;
- (2) the period during which the company warrants or other convertible securities may be exercised and the dates when this

- right commences and expires;
- (3) the amount payable on the exercise of the company warrants or other convertible securities;
- (4) the arrangement for transfer or transmission of the company warrants or other convertible securities;
- (5) the rights of the holders on the liquidation of the issuer;
- (6) the arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer;
- (7) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer;
- (8) a summary of any other material terms of the company warrants or other convertible securities;
- (9) the purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/exercise of the company warrants or other convertible securities; and
- (10) the financial effects of the issue to the issuer.

#### **Rules 7.19(6), HK Listing Rules: Rights Issue**

If the proposed rights issue would increase either the number of issued shares or the market capitalisation of the issuer by more than 50.0% (on its own or when aggregated with any other rights issues or open offers announced by the issuer (i) within the twelve (12) month period immediately preceding the announcement of the proposed rights issue or (ii) prior to such twelve (12) month period where dealing in respect of the shares issued pursuant thereto commenced within such twelve (12) month period, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers):

- (a) the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective

#### **Chapter 8 Part V: Rights Issue**

##### **Rule 814, SGX Listing Manual**

- (1) An issuer which intends to make a right issue must announce (having regard to Rule 704(25)) the issue promptly, stating the following:–
  - (a) price, terms and purpose of the issue, including the amount of proceeds proposed to be raised from the issue and the intended use of such proceeds on a percentage allocation basis (which could be expressed as a range if the exact allocation has not been determined);
  - (b) whether the issue will be underwritten;
  - (c) the financial circumstances which call for the issue; and
  - (d) whether it has obtained or will be seeking the approval of the SGX-ST for the listing and quotation of the new shares arising from the rights issue.

In addition, an issuer must observe the disclosure requirements in Appendix 8.2 of the SGX Listing Manual.

associates shall abstain from voting in favour. The issuer must disclose the information required under Rule 2.17 of the HK Listing Rules in the circular to shareholders;

- (b) the issuer shall set out in the circular to shareholders the purpose of the proposed rights issue, together with the total funds expected to be raised and a detailed breakdown and description of the proposed use of the proceeds. The issuer shall also include the total funds raised and a detailed breakdown and description of the funds raised on any issue of equity securities in the twelve (12) months immediately preceding the announcement of the proposed rights issue, the use of such proceeds, the intended use of any amount not yet utilised and how the issuer has dealt with such amount; and
- (c) the SEHK reserves the right to require the rights issue to be fully underwritten.

- (2) If a rights issue involves an issue of convertible securities, the issuer must also comply with Part VI of Chapter 8 of the SGX Listing Manual.

#### **Rule 815, SGX Listing Manual**

An issuer must announce any significant disbursement of the proceeds raised from the rights issue.

#### **Rule 816, SGX Listing Manual**

- (1) Subject to Rule 816(2), a rights issue must provide for the rights to subscribe for securities to be renounceable in part or in whole in favour of a third party at the option of the entitled shareholders.
- (2) (a) An issuer can undertake nonrenounceable rights issues:
  - (i) subject to specific shareholders' approval; or
  - (ii) in reliance on the general mandate to issue rights shares in a nonrenounceable rights issue if the rights shares are priced at not more than 10.0% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the rights issue is announced. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the rights issue is announced.
- (b) The non-renounceable rights issue must comply with Part V of Chapter 8 of the SGX Listing Manual except Rule 816(1).

#### **Rule 823, SGX Listing Manual**

An issuer making a rights issue must observe any time-table published by the SGX-ST.

#### **Rule 833, SGX Listing Manual**

The following additional requirements apply to an offer of company warrants or other convertible securities by way of a rights issue or bought deal:-

- (1) The issuer's announcement of the rights issue or bought deal must include either:-
  - (a) the exercise or conversion price of

- the company warrants or other convertible securities; or
  - (b) a price-fixing formula to determine the exercise or conversion price. The pricefixing formula must not contain any discretionary element and the amount of premium or discount (in relation to the underlying share price) must be specified.
- (2) Where a price-fixing formula is adopted:–
- (a) if the issue is not underwritten, the issuer must fix and announce the exercise or conversion price before the close of the offer; or
  - (b) if the issue is underwritten, the issuer must fix and announce the exercise or conversion price before the commencement of nilpaid rights trading.

### **Rule 17.03, HK Listing Rules: Terms of Share Option Schemes**

The terms and provisions of the scheme must provide, *inter alia*:

- (i) the total number of securities which may be issued upon exercise of all options to be granted under the scheme and any other schemes must not in aggregate exceed 10.0% of the relevant class of securities of the listed issuer (or the subsidiary) in issue as at the date of approval of the scheme – the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30.0% of the relevant class of securities of the listed issuer (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the listed issuer (or the subsidiary) if this will result in the limit being exceeded. The period within which the securities must be taken up under the option, which must not be more than ten (10) years from the date of grant of the option, and the life of the scheme, which must not be more than 10 years;
- (ii) the maximum entitlement of each participant under the scheme (including both exercised and outstanding options) in any twelve

### **Share Option Schemes or Share Schemes**

#### **Rule 844, SGX Listing Manual**

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:–

- (1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company; and
- (2) directors and employees of the issuer’s parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

#### **Rule 845, SGX Listing Manual**

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one (1) participant (where applicable) must be stated.

For SGX main board issuers, the following limits must not be exceeded:–

- (1) the aggregate number of shares available under all schemes must not exceed 15.0% of the total number of issued shares excluding treasury shares from time to time;
- (2) the aggregate number of shares available to controlling shareholder and their associates must not exceed 25.0% of the shares available under a scheme;
- (3) the number of shares available to each controlling shareholder or his associate

- (12) month period must not exceed 1.0% of the relevant class of securities of the issuer (or the subsidiary) in issue (unless approved by shareholders);
- (iii) the basis of determination of the exercise price – the exercise price of the scheme, which must be at least the higher of: (i) the closing price of the securities as stated in SEHK’s daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in SEHK’s daily quotations sheets for the five (5) business days immediately preceding the date of grant. For the purpose of calculating the exercise price where an issuer has been listed for less than five (5) business days, the new issue price shall be used as the closing price for any business day falling within the period before listing.

#### **Section 270 of the SFO: Insider dealing**

In general terms, subject to the specified exempted circumstances, Section 270 of the SFO prohibits persons from dealing in listed securities (or their derivatives) of a corporation, or otherwise counsels or procures another person to deal in such listed shares (or their derivatives) when such person is connected with the corporation and has information which he knows is relevant information in relation to the corporation.

#### **Section 278 of the SFO: Stock Market Manipulation**

Section 278 of the SFO prohibits persons in Hong Kong or elsewhere from:

- (a) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction increase, or are likely to increase, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to purchase or subscribe for, or to refrain from selling, securities of the corporation or of a related corporation of the corporation;

- must not exceed 10.0% of the shares available under a scheme;
- (4) the aggregate number of shares available to directors and employees of the issuer’s parent company and its subsidiaries must not exceed 20.0% of the shares available under a scheme; and
- (5) the maximum discount under the scheme must not exceed 20.0%. The discount must have been approved by shareholders in a separate resolution.

#### **Sections 218 and 219, SFA**

Sections 218 and 219 of the Singapore SFA prohibit persons from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, and if it was generally available it might have a material effect on the price or value of securities of that corporation.

Such persons include:–

- (1) officers of a corporation or a related corporation;
- (2) substantial shareholders of a corporation or a related corporation; and
- (3) a person who occupies a position reasonably expected to give him access to inside information by virtue of:–
- any professional or business relationship existing between himself (or his employer or a corporation of which he is an officer) and that corporation or a related corporation; or
  - being an officer of a substantial shareholder in that corporation or in a related corporation.

#### **Securities Market Manipulation**

##### **Section 198(1), SFA**

No person shall effect, take part in, be concerned in or carry out, directly or indirectly, two (2) or more transactions in securities of a corporation, being transactions that have or are likely to have the effect of raising, lowering, maintaining, or stabilising the price of the securities with intent to induce other persons to subscribe for, purchase or sell securities of the corporation or of a related corporation.

- (b) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction reduce, or are likely to reduce, the price of any securities traded on a relevant recognized market or by means of authorized automated trading services, with the intention of inducing another person to sell, or to refrain from purchasing, securities of the corporation or of a related corporation of the corporation; or
- (c) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction maintain or stabilise, or are likely to maintain or stabilise, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, purchase or subscribe for, or to refrain from selling, purchasing or subscribing for, securities of the corporation or of a related corporation of the corporation.

Section 278 of the SFO prohibits persons in Hong Kong from:

- (a) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction increase, or are likely to increase, the price of any securities traded on a relevant overseas market, with the intention of inducing another person to purchase or subscribe for, or to refrain from selling, securities of the corporation or of a related corporation of the corporation;
- (b) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction reduce, or are likely to reduce, the price of any securities traded on a relevant overseas market, with the intention of



- inducing another person to sell, or to refrain from purchasing, securities of the corporation or of a related corporation of the corporation; or
- (c) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction maintain or stabilise, or are likely to maintain or stabilise, the price of any securities traded on a relevant overseas market, with the intention of inducing another person to sell, purchase or subscribe for, or to refrain from selling, purchasing or subscribing for, securities of the corporation or of a related corporation of the corporation.

### **Rules 3.10 and 8.12, HK Listing Rules: Board Composition**

Every board of directors of an issuer must include at least three (3) independent non-executive director; and at least one (1) of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise.

A new applicant applying for a primary listing on SEHK must have sufficient management presence in Hong Kong, which normally means that at least two (2) of its executive directors must be ordinarily resident of Hong Kong.

### **Rules 3.21, 3.22 and paragraph C.3 of Appendix 14, HK Listing Rules: Audit Committee**

Every listed issuer must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three (3) members, at least one (1) of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise. The majority of the audit committee members must be independent non-executive directors of the listed issuer. The audit committee must be chaired by an independent non-executive director.

The board of directors of the listed issuer must approve and provide written terms of reference for the audit committee as required

### **Board composition**

#### **Audit Committee**

#### **Rule 12 of the Code of Corporate Governance (“COCG”)**

The board of directors (“**Board**”) should establish an audit committee (“**AC**”) with written terms of reference which clearly set out its authority and duties.

#### **Rule 12.1, COCG**

The AC should comprise at least three (3) directors, all non-executive, the majority of whom including the chairman should be independent. All of the members of the AC should be non-executive directors.

#### **Rule 12.2, COCG**

The Board should ensure that the members of the AC are appropriately qualified to discharge their responsibilities. At least two (2) members of the AC, including the chairman, should have accounting or related financial management expertise or experience, as the board of directors interprets such qualification in its business judgement.

under Rule 3.21 and paragraph C.3 of Appendix 14 to the HK Listing Rules.

**Rules 3.25, 3.26 and paragraph B.1 of Appendix 14, HK Listing Rules: Remuneration Committee**

An issuer must establish a remuneration committee chaired by an independent nonexecutive director and comprising a majority of independent non-executive directors.

The board of directors must approve and provide written terms of reference for the remuneration committee which clearly establish its authority and duties, including the terms of references set out in paragraph B.1.2 of Appendix 14 to the HK Listing Rules.

**Paragraphs A.5.1 and A.5.2 of Appendix 14 of the HK Listing Rules: Nomination Committee**

Issuers should establish a nomination committee which is chaired by the chairman of the board or an independent nonexecutive director and comprises a majority of independent non-executive directors.

The nomination committee should be established with specific written terms of reference which deal clearly with its authority and duties.

**Interested Person Transactions or Connected Transactions**

**Chapter 14A of the HK Listing Rules: (Connected Transactions)**

Chapter 14A of the HK Listing Rules specifies circumstances in which transactions between an issuer and certain specified persons (including connected persons) are, unless otherwise exempted, subject to the shareholders' approval, annual review and disclosure requirements.

**Rules 14A.07 and 14A.24, HK Listing**

**Remuneration Committee Rule 7, COCG**

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

**Rule 7.1, COCG**

The Board should establish a Remuneration Committee (“RC”) with written terms of reference which clearly set out its authority and duties. The RC should comprise at least three (3) directors, the majority of whom, including the chairman, should be independent. All of the members of the RC should be non-executive directors.

**Nominating Committee**

**Rule 4, COCG**

There should be a formal and transparent process for the appointment and reappointment of directors to the Board.

**Rule 4.1, COCG**

The Board should establish a nominating committee (“NC”) to make recommendations to the Board on all board appointments, with written terms of reference which clearly set out its authority and duties. The NC should comprise at least three (3) directors, the majority of whom, including the chairman, should be independent. The lead independent director, if any, should be a member of the NC.

**Chapter 9, SGX Listing Manual**

Chapter 9 of the SGX Listing Manual, which applies to the Company, prescribes situations in which transactions between entities at risk (as defined in the SGX Listing Manual) and interested persons (as defined in the SGX Listing Manual) are required to be disclosed or are subject to the prior approval of shareholders.

**Rule 904, SGX Listing Manual**

## Rules:

“Connected person” is defined to include a director, chief executive or substantial shareholder of the listed issuer or any of its subsidiaries; any person who was a director of the listed issuer or any of its subsidiaries in the last twelve (12) months; a supervisor of a PRC issuer or any of its subsidiaries; an associate of the respective persons as aforesaid; a connected subsidiary; or a person deemed to be connected by the SEHK.

“Financial assistance” includes granting credit, lending money, or providing an indemnity against obligations under a loan, or guaranteeing or providing security for a loan;

“Transactions” include both capital and revenue nature transactions, whether or not conducted in the ordinary and usual course of business of the listed issuer’s group. This includes the following types of transactions:–

- (a) any acquisition or disposal of assets by a listed issuer’s group including a deemed disposal;
- (b) any transaction involving a listed issuer’s group granting, accepting, transferring, exercising or terminating an option to acquire or dispose of assets or to subscribe for securities; or the issuer’s group deciding not to exercise an option to acquire or dispose of assets or to subscribe for securities;
- (c) entering into or terminating finance leases or operating leases or subleases;
- (d) granting an indemnity or providing or receiving financial assistance;
- (e) entering into an agreement or arrangement to set up a joint venture entity in any form, such as a partnership or a company, or any other form of joint arrangement;
- (f) issuing new securities of the listed issuer or its subsidiaries;
- (g) providing, receiving or sharing services ; or
- (h) acquiring or providing raw materials, intermediate products and/or finished goods.

For the purposes of Chapter 9, the following definitions apply:–

- (1) “approved exchange” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9;
- (2) “entity at risk” means:–
  - (a) the issuer;
  - (b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or
  - (c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.
- (3) “financial assistance” includes:–
  - (a) the lending or borrowing of money, the guaranteeing or providing security for a debt incurred or the indemnifying of a guarantor for guaranteeing or providing security; and
  - (b) the forgiving of a debt, the releasing of or neglect in enforcing an obligation of another, or the assuming of the obligations of another.
- (4) “interested person” means:–
  - (a) a director, chief executive officer, or controlling shareholder of the issuer; or
  - (b) an associate of any such director, chief executive officer, or controlling shareholder.
- (5) “interested person transaction” means a transaction between an entity at risk and an interested person.
- (6) “transaction” includes:–
  - (a) the provision or receipt of financial assistance;
  - (b) the acquisition, disposal or leasing of assets;
  - (c) the provision or receipt of services;
  - (d) the issuance or subscription of securities;
  - (e) the granting of or being granted options; and
  - (f) the establishment of joint ventures or joint investments;

whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

**Rules 14A.35 to 14A.37, 14A.49, 14A.71, 14A.76, HK Listing Rules: Reporting, Announcement and Independent Shareholders' Approval Requirements for Connected Transactions**

Rules 14A.35, 14A.36 and 14A.46

Where any connected transaction is proposed, the transaction must be announced as soon as practicable after its terms have been agreed and a circular must be sent to shareholders giving information about the transaction. Prior approval of the shareholders in general meeting will be required before the transaction can proceed, unless it is otherwise exempted under the HK Listing Rules.

Rules 14A.37, 14A.73, 14A.76

Certain categories of transactions are exempt from the general meeting requirement and accept a written shareholder's approval, and certain transactions are subject only to disclosure requirements. Amongst other exemptions under the HK Listing Rules include a connected transaction on normal commercial terms which constitutes a de minimis transaction under Rule 14A.76(1), which will be exempt from shareholders' approval annual review and all disclosure requirements, where each of the percentage ratios (other than the profits ratio) is less than 0.1% or less than 1.0% (where the connected transaction only involves a connected person at the issuer's subsidiary's level), or each of the percentage ratios (other than the profits ratio) is less than 5.0% and the total consideration is less than HK\$3,000,000.

**Rules 14A.49, 14A.71, HK Listing Rules: Reporting Requirements**

The listed issuer's annual report must contain the following information on the connected transactions conducted in that financial year (including continuing connected transactions under agreements signed in previous years):

- (a) the transaction date;
- (b) the parties to the transaction and a description of their connected relationship;
- (c) a brief description of the transaction and its purpose;
- (d) the total consideration and terms;
- (e) the nature and extent of the connected person's interest in the transaction; and
- (f) for continuing connected transactions,

**When Announcement Required  
Rule 905, SGX Listing Manual**

- (1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3.0% of the group's latest audited net tangible assets.
- (2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3.0% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.
- (3) Rules 905 (1) and (2) do not apply to any transaction below \$100,000.

**When Shareholder Approval Required  
Rule 906, SGX Listing Manual**

- (1) an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:-
  - (a) 5.0% of the group's latest audited net tangible assets; or
  - (b) 5.0% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
- (2) Rule 906(1) does not apply to any transaction below \$100,000.

**Rule 907, SGX Listing Manual**

An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the prescribed format.

**Rule 920, SGX Listing Manual**

- i. a confirmation from the listed issuer's independent nonexecutive directors on the matters set out in Rule 14A.55; and
  - ii. a statement from the listed issuer's board of directors whether the auditors have confirmed the matters set out in Rule 14A.56.
- (1) An issuer may seek a general mandate from 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. A general mandate is subject to annual renewal.
- (a) An issuer must:–
    - (i) disclose the general mandate in the annual report, giving details of the aggregate value of transactions conducted pursuant to the general mandate during the financial year in the prescribed format; and
    - (ii) announce the aggregate value of transactions conducted pursuant to the general mandate for the financial periods which it is required to report on pursuant to Rule 705 within the time required for the announcement of such report.
  - (b) A circular to shareholders seeking a general mandate must include:–
    - (i) the class of interested persons with which the entity at risk will be transacting;
    - (ii) the nature of the transactions contemplated under the mandate;
    - (iii) the rationale for and benefit to the entity at risk;
    - (iv) the methods or procedures for determining transaction prices;
    - (v) the independent financial adviser's opinion on whether the methods or procedures in (iv) are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders;
    - (vi) an opinion from the audit committee if it takes a different view to the independent financial adviser;

- (vii) a statement from the issuer that it will obtain a fresh mandate from shareholders if the methods or procedures in (iv) become inappropriate; and
  - (viii) a statement that the interested person will abstain, and has undertaken to ensure that its associates will abstain, from voting on the resolution approving the transaction.
- (c) An independent financial adviser's opinion is not required for the renewal of a general mandate provided that the audit committee confirms that:-
- (i) the methods or procedures for determining the transaction prices have not changed since last shareholder approval; and
  - (ii) the methods or procedures in Rule 920(1)(c)(i) of the SGX Listing Manual are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders.
- (d) Transactions conducted under a general mandate are not separately subject to Rules 905 and 906 of the SGX Listing Manual.

**Rule 14A.81, HK Listing Rules:  
Aggregation of Transactions**

The SEHK will aggregate a series of connected transactions and treat them as if they were one (1) transaction if they were all entered into or completed within a twelve (12) month period or are otherwise related. The listed issuer must comply with the applicable connected transaction requirements based on the classification of the connected transactions when aggregated. The aggregation period will cover twenty-four (24) months if the connected transactions are a series of acquisitions of assets being aggregated which may constitute a reverse takeover.

**Rule 14A.82, HK Listing Rules:  
Aggregation of Transactions**

**Rule 908, SGX Listing Manual**

In interpreting the term "same interested person" for the purpose of aggregation in Rules 905 and 906 of the SGX Listing Manual, the following applies:-

- (1) Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.
- (2) If an interested person, (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors

Factors that the SEHK will consider for aggregation of a series of connected transactions include whether:

- (a) they are entered into by the listed issuer's group with the same party, or parties who are connected with one another;
- (b) they involve the acquisition or disposal of parts of one asset, or securities or interests in a company or group of companies; or
- (c) they together lead to substantial involvement by the listed issuer's group in a new business activity.

**Rule 14A.83, HK Listing Rules: Aggregation of Transactions**

The SEHK may aggregate all continuing connected transactions with a connected person.

**Rule 14A.84, HK Listing Rules: Aggregation of Transactions**

The listed issuer must consult the SEHK before the listed issuer's group enters into any connected transaction if:

- (a) the transaction and any other connected transactions entered into or completed by the listed issuer's group in the last twelve (12) months fall under any of the circumstances described in Rule 14A.82; or
- (b) the transaction and any other transactions entered into by the listed issuer's group involve the acquisition of assets from a person or group of persons or any of their associates within twenty-four (24) months after the person(s) gain control (as defined in the HK Takeovers Code) of the listed issuer.

**Rule 14A.85, HK Listing Rules: Aggregation of Transactions**

The listed issuer must provide information to the SEHK on whether it should aggregate the transactions.

**Rule 14A.86, HK Listing Rules: Aggregation of Transactions**

The SEHK may aggregate a listed issuer's connected transactions even if the listed issuer has not consulted the SEHK.

**Rules 14A.76, 14A.89, 14A.92 to 14A.95,**

are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.

**Rule 918, SGX Listing Manual**

If a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.

**Rule 919, SGX Listing Manual**

In a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

**Exceptions**

#### **14A.97 to 14A.101, HK Listing Rules: Exemptions**

The connected transactions which can be exempt from the connected transaction requirements include:–

- (a) de minimis transactions;
- (b) financial assistance;
- (c) issue of new securities by the listed issuer or its subsidiary if (i) the connected person receives a pro rata entitlement to the issue as a shareholder; (ii) the connected person subscribes for the securities in a rights issue or open offer; (iii) the securities are issued to the connected person under a share option scheme; or (iv) the securities are issued under a “top-up placing and subscription”;
- (d) SEHK dealings;
- (e) any buy-back of own securities by a listed issuer or its subsidiary from a connected person on SEHK or a recognised stock exchange or under a general offer made under the Code on Share Buy-backs;
- (f) the entering into of a service contract by a director of the listed issuer with the listed issuer or its subsidiary;
- (g) the buying as customer or selling consumer goods or services to a connected person on normal commercial terms or better in its ordinary and usual course of business if such goods and services are (i) of a type ordinarily supplied for private use or consumption, (ii) for the acquirer’s own consumption or use, (iii) consumed or used by the acquirer in the same state as when they were acquired (iv) acquired on terms no more favourable to the connected person or no less favourable to the listed issuer’s group than those available from independent third parties;
- (8) the sharing of administrative services between a listed issuer and a connected person on a cost basis;
- (9) transactions with associates of passive investors; and
- (10) transactions with connected persons at the subsidiary level.

#### **Rule 915, SGX Listing Manual**

The following transactions are not required to comply with Rules 905, 906 and 907 of the SGX Listing Manual:–

- (1) a payment of dividends, a subdivision of shares, an issue of securities by way of a bonus issue, a preferential offer, or an off-market acquisition of the issuer’s shares, made to all shareholders on a pro-rata basis, including the exercise of rights, options or company warrants granted under the preferential offer;
- (2) the grant of options, and the issue of securities pursuant to the exercise of options, under an employees’ share option scheme approved by the SGXST;
- (3) a transaction between an entity at risk and an investee company, where the interested person’s interest in the investee company, other than that held through the issuer, is less than 5.0%;
- (4) a transaction in marketable securities carried out in the open market where the counterparty’s identity is unknown to the issuer at the time of the transaction;
- (5) a transaction between an entity at risk and an interested person for the provision of goods or services if:–
  - (a) the goods or services are sold or rendered based on a fixed or graduated scale, which is publicly quoted; and
  - (b) the sale prices are applied consistently to all customers or class of customers.

Such transactions include telecommunication and postal services, public utility services, and sale of fixed price goods at retail outlets.

- (6) the provision of financial assistance or services by a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business;
- (7) the receipt of financial assistance or services from a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business;
- (8) director’s fees and remuneration, and employment remuneration (excluding “golden parachute” payments).

#### **Rule 916, SGX Listing Manual**



The following transactions are not required to comply with Rule 906 of the SGX Listing Manual:–

- (1) the entering into, or renewal of a lease or tenancy of real property of not more than three (3) years if the terms are supported by independent valuation;
- (2) investment in a joint venture with an interested person if:–
  - (a) the risks and rewards are in proportion to the equity of each joint venture partner;
  - (b) issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and
  - (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.
- (3) The provision of a loan to a joint venture with an interested person if:–
  - (a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
  - (b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
  - (c) the issuer confirms by an announcement that its audit committee is of the view that:
    - (i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and
    - (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.
- (4) the award of a contract by way of public tender to an interested person if:–
  - (a) the awarder entity at risk announces the following information:–

- (i) the prices of all bids submitted;
  - (ii) an explanation of the basis for selection of the winning bid; and
- (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.
- (5) the receipt of a contract which was awarded by way of public tender, by an interested person if:–
- (a) the bidder entity at risk announces the prices of all bids submitted; and
  - (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, the listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.

## **RESTRICTIONS ON DEALINGS OF DIRECTORS BEFORE PUBLICATION OF THE FINANCIAL RESULTS**

### **Rules A3, B8 and C14 of Appendix 10, HK Listing Rules**

#### Rule A3

A director must not deal in any securities of the listed issuer on any day on which its financial results are published and:–

- (i) during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (ii) during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

### **Rule 1207(19)(c), SGX Listing Manual**

A listed issuer and its officers should not deal in the listed issuer's securities during the period commencing two (2) weeks before the announcement of the company financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the company's full year financial statements (if required to announce quarterly financial statements), or one (1) month before the announcement of the company's half year and full year financial statements (if not required to announce quarterly financial statements).

unless the circumstances are exceptional as described in Rule C14 below. In any event, the director must comply with the procedure in the Rules B.8 and B.9 of the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Directors Dealing Code**”).

The listed issuer must notify the SEHK in advance of the commencement of each period during which directors are not allowed to deal under Rule A3. Such period will cover any period of delay in the publication of a results announcement.

#### Rule C14

If a director proposes to sell or otherwise dispose of securities of the listed issuer under exceptional circumstances where the sale or disposal is otherwise prohibited under the Directors Dealing Code, the director must comply with the provisions of the Rule B8 of the Directors Dealing Code regarding prior written notice and acknowledgement. The director must satisfy the chairman or the designated director that the circumstances are exceptional and the proposed sale or disposal is the only reasonable course of action available to the director before the director can sell or dispose of the securities. The listed issuer shall give written notice of such sale or disposal to SEHK as soon as practicable stating why it considered the circumstances to be exceptional. The listed issuer shall publish an announcement in accordance with Rule 2.07C of the HK Listing Rules immediately after any such sale or disposal and state that the chairman or the designated director is satisfied that there were exceptional circumstances for such sale or disposal of securities by the director.

#### Rule B8

Under the Directors Dealing Code, a director must not deal in any securities of the listed issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement. In his own case, the chairman must first notify the board at a board meeting, or alternatively notify a director (otherwise than himself) designated by the board for the purpose and receive a dated written acknowledgement before any dealing. The designated director must not deal in any securities of the listed issuer without first notifying the chairman and receiving a dated written acknowledgement.

In each case, (a) a response to a request for clearance to deal must be given to the relevant director within five (5) business days of the request being made; and (b) the clearance to deal in accordance with (a) above must be valid for no longer than five (5) business days of clearance being received.

#### Rule B9

The procedure established within the listed issuer must, as a minimum, provide for there to be a written record maintained by the listed issuer that the appropriate notification was given and acknowledged pursuant to Rule B8 of the Directors Dealing Code, and for the director concerned to have received written confirmation to that effect.

## **B. TAKEOVER OBLIGATIONS**

### **1. The Singapore Code on Take-over and Mergers (the “Singapore Takeovers Code”)**

The Singapore Takeovers Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the Company’s voting Shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the Company’s voting Shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1.0% of the Company’s voting Shares in any six month period, must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Takeovers 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. Without prejudice to the general application of this definition, the following individuals and companies are presumed to be acting in concert with each other (unless the contrary is established). They are as follows:

- a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- a company and its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
- a company and its pension funds and employee share schemes;
- 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;
- a financial or other professional adviser and its clients in respect of Shares held by the adviser and persons controlling, controlled by or under the same control as the adviser and all the funds managed by the adviser on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client’s equity share capital;

- directors of a company (including 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 the company may be imminent;
- partners; and
- an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or parties acting in concert with the offeror within the six (6) months preceding the acquisition of Shares that triggered the mandatory offer obligation.

Under the Singapore Takeovers Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

Following the conclusion of an offer, pursuant to section 215 of the Singapore Companies Act, if an offeror acquires 90.0% of the shares of the offeree company, it may, by notice to the dissenting shareholders, sell its shares to it. In calculating the 90% threshold, shares held or acquired by the Offeror, its related corporations and their respective nominees are excluded. The notice must be sent within two months of the satisfaction of the 90% threshold. The shareholder whose shares are thus to be acquired may apply to Court for an order that the offeror is not entitled to acquire the shares, or specifying different acquisition. Where an offeror could acquire the holdings of minority shareholders but does not, a minority shareholder may serve a notice requiring the offeror to do so within three (3) months from the date of receipt of notice from offeror of the fact that the offeror has acquired 90% of the shares of the offeree company. The offeror is then obliged to acquire the shareholder's shares on the same terms as the other shares were acquired during the offer.

## **2. The Codes on Takeover and Merger and Share Buy-backs of Hong Kong (the “HK Takeovers Code”)**

Public companies with a primary listing of their equity securities in Hong Kong fall within the regulatory framework of the HK Takeovers Code. The HK Takeovers Code is not legally enforceable. Its purpose is to provide guidelines for companies and their advisers contemplating, or becoming involved in, takeovers and mergers affecting public companies in Hong Kong.

The aim of the HK Takeovers Code is to ensure fair treatment of shareholders affected by takeovers, mergers and share buy-backs. It requires the timely disclosure of adequate information to enable shareholders to make an informed decision as to the merits of any offer. It also provides an orderly framework within which takeovers, mergers and share buy-backs are to be conducted.

The HK Takeovers Code regulates acquisitions of shares (whether by way of takeovers, mergers and share buy-back) in an offeree company, a potential offeree company, or a company in which control may change or be consolidated that is relevant. Control is currently defined as a holding, or aggregate holdings, of 30.0% or more of the voting rights of a company, irrespective of whether that holding or holdings gives de facto control.

The HK Takeovers Code also applies not only to the offeror and the offeree company, but also to those persons “acting in concert” with the offeror. Under the HK Takeovers Code, “persons acting in concert” are persons who “pursuant to an agreement or understanding (whether formal or informal), actively cooperate to obtain or consolidate control of a company through the acquisition by any of them of voting rights of the company”. The HK Takeovers Code also describes classes of persons who are presumed to be acting in concert with others in the same class unless the contrary is established.

The HK Takeovers Code requires the making of a mandatory general offer to holders of each class of equity share capital of the offeree company, whether the class carries voting rights or not, and also to the holders of any class of voting non-equity share capital in which such person, or persons acting in concert with him, hold shares, unless a waiver has been granted by the executive of the Securities and Futures Commission, where a person or a group of persons acting in concert (a) acquires control of a company (meaning 30.0% or more of the voting rights), whether by a series of transactions over a period of time, or not; or (b) when already holding between 30.0% and 50.0% of the voting rights of a company, acquires more than 2.0% of the voting rights in the target company in a twelve (12) month period ending on and inclusive of the date of the relevant acquisition.

In either of the above cases, an offer must be made to the shareholders. The offer must be in cash or accompanied by a cash alternative at not less than the highest price paid by the offeror (or any person acting in concert with it) for shares of that class of the offeree company during the offer period and within six (6) months prior to its commencement.

**C. CONTITUTIONS**

**THE COMPANIES ACT, CAP. 50**

**REPUBLIC OF SINGAPORE**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**WEIYE HOLDINGS LIMITED**  
**(Formerly known as KYODO-ALLIED INDUSTRIES LTD)**

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**Incorporated on the 2nd day of August 1984**

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**Company No: 198402850E**

**CERTIFICATE CONFIRMING INCORPORATION OF COMPANY UNDER THE  
NEW NAME**

**This is to confirm that KYODO-ALLIED INDUSTRIES LTD incorporated under the Companies Act on 02/08/1984 did by a special resolution resolve to change its name to WEIYE HOLDINGS LIMITED and that the company is now known by its new name with effect from 10/08/2011.**

**GIVEN UNDER MY HAND AND SEAL ON 11/08/2011.**



**NURHAYATI NONGCHIK  
ASST REGISTRAR  
ACCOUNTING AND CORPORATE REGULATORY AUTHORITY (ACRA)  
SINGAPORE**





FORM 20  
THE COMPANIES ACT, CAP. 50  
SECTION 31(3)

CERTIFICATE OF INCORPORATION ON  
CONVERSION TO A PUBLIC COMPANY

COMPANY NAME : KYODO-ALLIED INDUSTRIES PTE LTD

COMPANY NO. : 198402850E

THIS IS TO CERTIFY THAT THE ABOVENAMED COMPANY, WHICH WAS  
ON 02/08/1984 INCORPORATED UNDER THE COMPANIES ACT AS A  
COMPANY LIMITED BY SHARES, DID ON 26/12/2001 CONVERT TO A  
PUBLIC COMPANY AND THAT THE NAME OF THE COMPANY NOW IS  
KYODO-ALLIED INDUSTRIES LTD.

GIVEN UNDER MY HAND AND SEAL ON 26/12/2001



  
OW YONG TUCK HEONG  
SENIOR ASST REGISTRAR OF COMPANIES AND BUSINESSES  
SINGAPORE

FORM 9  
THE COMPANIES ACT, CAP. 185.  
Section 16(4).

No. of Company  
02850/1984-E

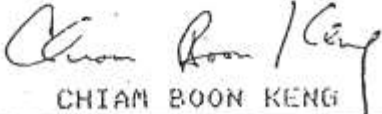
CERTIFICATE OF INCORPORATION OF PRIVATE COMPANY

This is to certify that KYODO-ALLIED INDUSTRIES PTE  
LTD

is incorporated under the Companies Act, Cap. 185, on 02/08/1984

and that the company is a private company limited by shares.

Given under my hand and seal on 02/08/1984

  
CHIAM BOON KENG

Registrar of Companies & Businesses  
Republic of Singapore.

**IN THE MATTER OF THE COMPANIES ACT, CHAPTER 50**

**AND**

**IN THE MATTER OF**

**WEIYE HOLDINGS LIMITED**  
(Company Registration No. 198402850E)  
(Incorporated in Singapore)

At an Extraordinary General Meeting of the Company held on 22 December 2015, the following Special Resolutions were passed:

**SPECIAL RESOLUTIONS**

**AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION**

That conditional upon the SEHK granting the listing of, and the permission to deal in, the Shares of the Company on the main board of the SEHK, and the passing of Resolutions 1 and 3:

1. approval be and is given for the proposed amendments to the Memorandum of Association and all matters relating thereto; and
2. the Directors of the Company 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 or necessary to give effect to the transactions contemplated by this Resolution.

**ADOPTION OF NEW ARTICLES OF ASSOCIATION**

That conditional upon the SEHK granting the listing of, and the permission to deal in, the Shares of the Company on the main board of the SEHK, and the passing of Resolutions 1 and 2:

1. approval be and is given for the proposed Adoption of New Articles and all matters relating thereto; and
2. the Directors of the Company 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 or necessary to give effect to the transactions contemplated by this Resolution.

The full text of the Amendments to the Memorandum of Association and New Articles of Association of the Company are attached.

The following amendments will be made to the Memorandum:

1. Clause 3 will be deleted in its entirety and replaced with the following:

"The Company has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, subject to applicable laws and its Memorandum and Articles of Association."

2. Clause 5 will be deleted in its entirety and replaced with the following:

"The shares of the Company may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise."

PUBLIC COMPANY LIMITED BY SHARES

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**ARTICLES OF ASSOCIATION**

**OF**

**WEIYE HOLDINGS LIMITED**

(adopted by special resolutions of the Members passed on 22 December 2015 to take effect on the day the shares of the Company are first traded on the Hong Kong Stock Exchange)

**PRELIMINARY**

1. The regulations contained in Table “A” in the Fourth Schedule to the Companies Act (Cap. 50) shall not apply to the Company.
2. In these Articles, if not inconsistent with the subject or context, the words standing in the first column below shall bear the meanings set opposite to them respectively:–

“Act”	The Companies Act (Cap. 50) of Singapore or any statutory modification, amendment or re-enactment thereof for the time being in force concerning companies and affecting the Company (including but not limited to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and any reference to any provision as so modified, amended or re-enacted.
“Alternate Director”	An alternate Director appointed pursuant to Article 102
“Annual General Meeting”	An annual general meeting of the Company.
“Articles”	These articles of association or other regulations of the Company for the time being in force as originally framed, or as amended from time to time.
“Chairman”	The chairman of the Directors or the chairman of the Annual General Meeting or general meeting as the case may be.
“clearing house”	A clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.
“Company”	The abovenamed Company by whatever name from time to time called.

“Directors” or the “Board of Directors”	The directors for the time being of the Company or such number of them as having authority to act for the Company, and includes any person duly appointed and acting for the time being as an Alternate Director.
“Electronic Communication”	Has the meaning ascribed to it in the Act, namely communication transmitted (whether from one person to another, from one device to another, from a person to a device or from a device to a person); (a) by means of a Telecommunication system, or (b) by other means but while in an electronic form, such that it can (where particular conditions are met) be received in legible form or be made legible following receipt in non-legible form.
“Exchange”	The Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed and quoted on the Singapore Exchange Securities Trading Limited, the Hong Kong Stock Exchange for so long as the shares of the Company are listed and quoted on the Hong Kong Stock Exchange and/or any other share, stock or securities exchange upon which the shares of the Company may be listed or quoted.
“Hong Kong”	The Hong Kong Special Administrative Region of The People’s Republic of China.
“Instruments”	Offers, agreements or options that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into shares.
“market day”	A day on which the Exchange is open for trading of securities.
“Member” or “holder of any share”	A registered shareholder for the time being of the Company or if the registered shareholder is the Depository, a Depositor named in the Depository Register (for such period as shares are entered in the Depositor’s Securities Account).
“month”	Calendar month.
“Office”	The registered office of the Company for the time being.
“ordinary resolution”	A resolution passed by a majority greater than 50% of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy present at a general meeting.
“Register of Members”	The principal register, and where applicable, any branch register of registered shareholders of the Company to be maintained at such place within or outside Singapore as the Board shall determine from time to time.
“Relevant Laws”	The provisions of the Act and any other relevant rule, law or regulation enacted or promulgated by any relevant competent authority from time to time (including but not limited to the rules of the Exchange).
“Seal”	The common seal of the Company.

“Secretary”	The secretary or secretaries appointed to perform the duties of a secretary of the Company.
“Securities Account”	The securities account maintained by a Depositor with a Depository.
“special resolution”	A resolution passed by a majority greater than 75% of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy present at a general meeting.
“Telecommunication system”	Has the meaning ascribed to it in the Telecommunications Act (Cap. 323) or any statutory modification thereof for the time being in force.
“in writing” and “written”	includes printing and lithograph and any other mode or modes of representing or reproducing words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an Electronic Communication or form or otherwise howsoever.
“year”	Calendar year.
“S\$”	The lawful currency of Singapore.

- (1) The expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Act, and any reference to the Central Depository (Pte) limited shall also include a reference to a clearing house (as the case may be).
- (2) The expression “clear days’ notice” shall, for the purposes of calculating the number of days necessary before a notice is served or deemed to be served, be exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given.
- (3) The expression “shares” shall mean the shares of the Company.
- (4) References in these Articles to “holders” of shares or any class of shares shall:
  - (a) exclude the Depository except where otherwise expressly provided for in these Articles or where the terms “registered holder” or “registered holders” are in use in these Articles; and
  - (b) where the subject and context so require, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of such shares;

and the words “holding” and “held” shall be construed accordingly.
- (5) Words denoting the singular number only shall include the plural and vice versa. Words denoting the masculine gender only shall include the feminine gender. Words denoting persons shall include corporations.
- (6) Save as aforesaid, any word or expression used in the Act and the Interpretation Act (Cap. 1)

shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

- (7) References in these Articles to any enactment are a reference to that enactment as for the time being amended or re-enacted.
- (8) The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of these Articles.

## **PUBLIC COMPANY**

- 3. The Company is a public company.

## **ISSUE OF SHARES**

- 3A. The Company does not have an authorised share capital and the shares do not have par value.
- 4. Subject to the Act and these Articles, no shares may be issued by the Directors without the prior sanction of an ordinary resolution of the Company in general meeting pursuant to Section 161 of the Act but subject thereto and to Article 47, and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued in such denominations or with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors. The total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time. No shares shall be issued to bearer.

No share shall be issued so as to transfer a controlling interest (as defined in the listing rules of the Exchange) of the Company without the prior approval of the shareholders in a general meeting.



5. (1) Preference shares may be issued subject to such limitations thereof as may be prescribed by the Exchange upon which shares in the Company may be listed and the rights attaching to shares other than ordinary shares shall be expressed in the Memorandum of Association or these Articles. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending general meetings of the Company. The total number of issued preference shares shall not exceed the total number of issued ordinary shares issued at any time. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrears.
- (2) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.
- (3) Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.
- (4) Except as allowed by the statute and subject further to compliance with the rules and regulations of the Exchange and any other relevant regulatory authority, the Company shall not give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.
- (5) Except as allowed by statute, the Board may, subject to what is allowed by the Relevant Laws issue warrants to subscribe for any class of Shares or other securities of the Company and such warrants may be issued on such terms as the Board may from time to time determine. Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

## **VARIATION OF RIGHTS**

6. (1) If at any time the share capital is divided into different classes, the repayment of preference capital other than redeemable preference capital and the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, only be made, varied or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class and to every such special resolution, the provisions of Section 184 of the Act shall, with such adaptations as are necessary, apply. To every such separate general meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply; but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class. Provided always that where the necessary majority for such a special resolution is not obtained at the general meeting, Rights attached to certain shares App 2.2 para (1)(b) App 2.2 para (1)(d) App 2.2 para (1)(c) HKLR App 3 para 2(2) Variation of rights HKLR App 3 para 6(2) HKJPS para 31(a) App 2.2 para (5) 6 consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two (2) months of the general meeting shall be as valid and effectual as a special

resolution carried at the general meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

- (2) The repayment of preference capital other than redeemable preference or any other alteration of preference shareholder rights may only be made pursuant to a special resolution of the preference shareholders concerned. Provided always that where the necessary majority for such a special resolution is not obtained at the general meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the general meeting, shall be as valid and effectual as a special resolution carried at the general meeting.
7. The repayment of preference capital other than redeemable preference or any other alteration of preference shareholder rights may only be made pursuant to a special resolution of the preference shareholders concerned. Provided always that where the necessary majority for such a special resolution is not obtained at the general meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the general meeting, shall be as valid and effectual as a special resolution carried at the general meeting.
- 7A. No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interest to the Company.

## **SHARES**

8. Unless otherwise specified or restricted by law, the Company may pay commissions or brokerage on any issue or purchase of its shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares, or partly in one way and partly in the other.
9. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions mentioned in the Act, pay interest on so much of the share capital as is for the time being paid up and may charge the same to capital as part of the cost of the construction or provision.
10. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share.
11. No person shall be recognised by the Company as having title to a fractional part of a share otherwise than as the sole or a joint holder of the entirety of such share.
12. If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered

holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same.

## SHARES CERTIFICATES

13. The certificate of title to shares or debentures in the capital of the Company shall be issued under the seal, which may only be affixed with the authority of the Board of Directors, in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signatures of at least two (2) Directors, or of one (1) Director and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall specify the number and class of shares to which it relates, the amounts paid and the amount (if any) unpaid thereon. No certificate shall be issued representing shares of more than one class. Every share certificate shall be issued under the Seal or a facsimile thereof with the addition on its face of the words "Share Seal" or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.
14.
  - (1) The Company shall not be bound to register more than four (4) persons as the joint holders of any share except in the case of executors, trustees or administrators of the estate of a deceased Member.
  - (2) If two (2) or more persons are registered as joint holders of any share any one of such persons may give effectual receipts for any dividend payable in respect of such share and the joint holders of a share shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such shares.
  - (3) Only the person whose name stands first in the Register of Members as one (1) of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. Only the person whose name stands first in the Depository Register shall be entitled to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders.
15.
  - (1) Shares must be allotted and certificates despatched within ten (10) market days of the final closing date for an issue of shares unless the Exchange shall agree to an extension of time in respect of that particular issue. The Depository must despatch statements to successful investor applicants confirming the number of shares held under their Securities Accounts. Persons entered in the Register of Members as registered holders of shares shall be entitled to certificates within ten (10) market days after lodgement of any transfer. Every registered shareholder shall be entitled to receive share certificates in reasonable denominations for his holding and where a charge is made for certificates, such charge shall not exceed S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed). Where a registered shareholder transfers part only of the shares comprised in a certificate or where a registered shareholder requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the registered shareholder shall pay a fee not exceeding S\$2 (or such

other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed) for each such new certificate as the Directors may determine. Where the member is a Depositor, the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other referential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.

- (2) The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six (6) years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with Articles 37, 39, 40, 44 and 45, mutatis mutandis.
16.
  - (1) Subject to the provisions of the Act, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Exchange or on behalf of its or their client or clients as the Directors of the Company shall require, and in case of defacement or wearing out, on delivery of the old certificate and in any case on payment of such sum not exceeding S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed) as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.
  - (2) When any shares under the powers in these Articles herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

## **TRANSFER OF SHARES**

17. Subject to these Articles, any Member may transfer all or any of his shares but every instrument of transfer of the legal title in shares must be in writing and in the form for the time being approved by the Directors and the Exchange. Shares of different classes shall not be comprised in the same instrument of transfer. The Company shall accept for registration transfers in the form approved by the Exchange.
18. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository, or if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members.
19. No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind but nothing herein contained shall be construed as imposing on the company any liability in respect of the registration of such transfer if the company has

no actual knowledge of the same.

20. (1) Subject to these Articles, there shall be no restriction on the transfer of fully paid up shares except where required by law or by the rules, bye-laws or listing rules of the Exchange but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. If the Directors shall decline to register any such transfer of shares, they shall give to both the transferor and the transferee written notice of their refusal to register as required by the Act and the listing rules of the Exchange.
- (2) The Directors may decline to register any instrument of transfer unless:–
- (i) such fee not exceeding S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed) as the Directors may from time to time require, is paid to the Company in respect thereof;
  - (ii) the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors appoint accompanied by a certificate of payment of stamp duty (if any is payable), the certificates of the shares to which the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and
  - (iii) the instrument of transfer is in respect of only one (1) class of shares.
21. (1) All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.
- (2) Subject to any legal requirements to the contrary, the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall be conclusively presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other documents so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided that:–
- (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
  - (ii) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any circumstances which would not attach to the Company in the absence of this Article; and

- (iii) references herein to the destruction of any document include references to the disposal thereof in any manner.
- 22.
- (1) The Register of Members and the Depository Register may be closed at such times and for such period as the Directors may from time to time determine, provided always that the Registers shall not be closed for more than thirty days in the aggregate in any year. Provided always that the Company shall give prior notice of such closure as may be required to the Exchange, stating the period and purpose or purposes for which the closure is made.
  - (2) The Company shall keep in one or more books a Register and shall enter therein the following particulars, that is to say:
    - (i) the name and address of each Member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
    - (ii) the date on which any transfer of shares was effected;
    - (iii) the date on which each person was entered in the Register; and
    - (iv) the date on which any person ceased to be a Member.
  - (3) The Company may keep an overseas or local or other branch Register resident in any place, and the Board may make and vary such regulations as it determines necessary, desirable or expedient in respect of the keeping of any such register and maintaining a registration office (the “**Registration Office**”) in connection therewith.
  - (4) The Register and branch Register, as the case may be, shall be open to inspection for at least two hours on every business day by Members without charge or by any other person, upon a maximum payment of HK\$1.00 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Relevant Laws. The Register including any overseas or local or other branch Register may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Exchange or by any electronic means in such manner as may be accepted by the Exchange to that effect, be closed at such times or for such periods not exceeding, in the whole, thirty days in each year as the Board may determine and either generally or in respect of any class of shares.
  - (5) Notwithstanding any other provision of these Articles, but subject to the rules of the Exchange and the Act, the Company or the Directors may fix any date as the record date for determining the Members entitled to receive any dividend, distribution, allotment or issue; and determining the Members entitled to receive notice of and to vote at any general meeting of the Company.
- 23.
- (1) Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.
  - (2) Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the

Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

## **TRANSMISSION OF SHARES**

24. (1) In case of the death of a registered shareholder, the survivor or survivors, where the deceased was a joint holder, and the legal representatives of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein shall release the estate of a deceased registered shareholder (whether sole or joint) from any liability in respect of any share held by him.
- (2) In the case of the death of a Depositor, the survivor or survivors, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder and where such legal representatives are entered in the Depository Register in respect of any shares of the deceased, shall be the only persons recognised by the Company as having any title to his interests in the share; but nothing herein contained shall release the estate of a deceased Depositor (whether sole or joint) from any liability in respect of any share held by him.
25. (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member or by virtue of a vesting order by a court of competent jurisdiction and recognised by the Company as having any title to that share may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving to the Company notice in writing or transfer such share to some other person. If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.
- (2) The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within sixty (60) days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.
26. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a Member, unless and until he shall become registered as a shareholder or have his name entered in the Depository Register as a Depositor in respect of the share.

27. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any share, such fee not exceeding S\$2 (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require or prescribe.

## **CALL ON SHARES**

28. The Directors may from time to time make such calls as they think fit upon the Members in respect of any money unpaid on their shares and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. The joint holders of a share shall be jointly and severally liable to the payment of all calls and instalments in respect thereof.
29. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.
30. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum due from the day appointed for payment thereof to the time of actual payment at such rate not exceeding eight (8) per cent per annum as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
31. Any sum which by the terms of issue and allotment of a share becomes payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
32. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payments.
33. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding without the sanction of the Company in general meeting eight (8) per cent per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.

## **FORFEITURE AND LIEN**

34. If any Member fails to pay in full any call or instalment of a call on or before the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest and expense which may have accrued by reason of such non-payment.
35. The notice shall name a further day (not being less than seven (7) days from the date of service of the notice) on or before which and the place where the payment required by



the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.

36. If the requirements of any such notice as aforesaid are not complied with any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture. The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past Members. The Directors may accept a surrender of any share liable to be forfeited hereunder.
37. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members or in the Depository Register (as the case may be) opposite to the share; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
38. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.
39. A share so forfeited or surrendered shall become the property of the Company and may be either cancelled, sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, the Directors may, if necessary, authorize some person to transfer a forfeited or surrendered share to any such person as aforesaid.
40. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at eight (8) per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part.
41. The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) in the name of each Member (whether solely or jointly with others) and on the dividends declared or payable in respect thereof for all unpaid calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments are due and unpaid and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

42. No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).
43. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of seven (7) days after notice in writing stating and demanding payment of the sum payable and giving notice of intention to sell in default, shall have been given to the Member for the time being in relation to the share or the person entitled thereto by reason of his death or bankruptcy. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof.
44. The net proceeds of sale, whether of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the unpaid call and accrued interest and expenses and the residue (if any) paid to the Member entitled to the share at the time of sale or his executors, administrators or assignees or as he may direct. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.
45. A statutory declaration in writing by a Director of the Company that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate under seal for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the forfeiture, surrender, sale, re-allotment or disposal of the share.

## **ALTERATION OF CAPITAL**

46. Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine; subject to the provisions of these Articles and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.
47. (1) Subject to any direction to the contrary that may be given by the Company in general meeting, or except as permitted under the Exchange's listing rules, all new shares shall before issue be offered to the Members in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled or hold. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined. After the expiration of the aforesaid time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this

Article.

- (2) Notwithstanding Article 47(1) above but subject to the Act and the byelaws and listing rules of the Exchange, the Company may by ordinary resolution in general meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution to:
- (i) issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or
  - (ii) make or grant Instruments; and/or
  - (iii) (notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force;

provided that:

- (a) the aggregate number of shares or Instruments to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed any applicable limits and complies with the manner of calculation prescribed by the Exchange;
  - (b) in exercising the authority conferred by the ordinary resolution, the Company shall comply with the listing rules for the time being in force (unless such compliance is waived by the Exchange) and the Articles; and
  - (c) (unless revoked or varied by the Company in general meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the Annual General Meeting next following the passing of the ordinary resolution, or the date by which such Annual General Meeting is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).
- (3) Notwithstanding Article 47(1) above but subject to the Act, the Directors shall not be required to offer any new shares to members to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document, but may sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the Company.

48. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the original ordinary capital of the Company and shall be subject to the provisions of these Articles with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

49. (1) The Company may by ordinary resolution alter its share capital in the manner permitted under the Act including without limitation:–
- (i) consolidate and divide all or any of its shares;
  - (ii) cancel the number of shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish its share capital by the amount of the shares so cancelled

in accordance with the Act, or in the case of shares, without par value, diminish the number of shares into which its capital is divided;

- (iii) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine PROVIDED ALWAYS THAT where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
  - (iv) subdivide its shares or any of them (subject to the provisions of the Act and the listing rules of the Exchange), provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and/or
  - (v) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.
- (2) The Company may purchase or otherwise acquire its issued shares subject to and in accordance with the Relevant Laws, on such terms and subject to such conditions as the Company may in general meeting prescribe in accordance with the Relevant Laws. Any shares purchased or acquired by the Company as aforesaid may be cancelled or dealt with in accordance with the Relevant Laws. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.

49A. Where the Company purchases or redeems any of its shares, purchases or redemption not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all Members alike.

50. The Company may by special resolution reduce its share capital or any other undistributable reserve in any manner subject to any requirements and consents required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents and the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where any such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.

## **STOCK**

51. The Company may by ordinary resolution convert any or all of its paid up shares into stock and may from time to time by resolution reconvert any stock into paid up shares of any denomination.

52. The holders of stock may transfer the same or any part thereof in the same manner and subject to these Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances

admit but no stock shall be transferable except in such units as the Directors may from time to time determine.

53. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by any such number of stock units which would not if existing in shares have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.
54. All provisions of these Articles applicable to paid up shares shall apply to stock and the words *share* and *shareholder* or similar expression herein shall include *stock* or *stockholder*.

### **GENERAL MEETINGS**

55. (1) Subject to the provisions of the Act, the Company shall in each year hold a general meeting in addition to any other meetings in that year to be called the Annual General Meeting, and not more than fifteen (15) months shall elapse between the date of one (1) Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.
- (2) All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The time and place of any meeting shall be determined by the convenors of the meeting.
56. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, including Members holding a minority stake in the Company which have shareholdings not higher than 10.0%. If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

### **NOTICE OF GENERAL MEETINGS**

57. (A) Subject to the Relevant Laws, any annual general meeting shall be called by twenty-one clear business days' notice in writing in the least and any extraordinary general meeting at which it is proposed to pass a Special Resolution or a resolution of which special notice has been given to the Company, shall also be called by twenty-one clear business days' notice in writing at the least. All other Extraordinary General Meetings; shall be called by fourteen clear business days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the General Meeting is to be held.
- (1) For the avoidance of doubt "business day" shall mean any day on which the Hong Kong Stock Exchange is open for business for dealing in securities.
- (2) The accidental omission to give notice to, or the non-receipt by any person entitled thereto shall not invalidate the proceedings at any general meeting.
- (B) (1) All notices in writing should specify the place, day and hour of the meeting, and in the case of special business, a notice in writing setting out

the general nature of such special business, accompanied by a statement regarding the effect of any proposed resolution in respect of such special business, shall be given to all Members and the Exchange other than such as are not entitled under these Articles to receive such notices from the Company. Every such notice shall be published, (a) in the case of Singapore, in at least one English Language daily newspaper circulating in Singapore and (b) in the case of Hong Kong, in at least one English Language and one Chinese Language newspaper circulating in Hong Kong, at least for such number of days before the relevant meeting as required by the Exchange and in the event there is conflict between the requirements of the Singapore Exchange Securities Trading Limited and the Hong Kong Stock Exchange, the longest prescribed notice period shall be adopted. Whenever any meeting is adjourned for fourteen days or more, at least seven days' notice in writing of the place and hour of such adjourned meeting shall be given in like manner Provided Always that when a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

The notice shall disclose any material interest of any director in the matter dealt with by the resolution insofar as the resolution affects that interest differently from the interests of other Members of the Company.

- (2) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- (3) In the case of any general meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of the special business, and if any resolution is to be proposed as a special resolution or as requiring special notice, the notice shall contain a statement to that effect.

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

- (a) declaring dividends;
- (b) receiving and adopting the accounts, the reports of the Directors and auditors and other documents required to be attached or annexed to the accounts;
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) re-appointing the retiring auditors (unless they were last appointed otherwise than by the Company in general meeting);
- (e) fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed; and
- (f) fixing the remuneration of the Directors proposed to be paid under Article 86.

Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

## **PROCEEDINGS AT GENERAL MEETINGS**

59. No business shall be transacted at any general meeting unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, two (2)

Members present in person shall form a quorum. For the purpose of this Article, *Member* includes a person attending by proxy or by attorney or by a corporate representative in the case of a corporation which has appointed a corporate representative. Provided that (i) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one (1) proxy such proxies shall count as only one (1) Member for the purpose of determining the quorum.

60. If within half an hour from the time appointed for the general meeting a quorum is not present, the general meeting if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned general meeting a quorum is not present within half an hour from the time appointed for holding the general meeting, the general meeting shall be dissolved.
61. Subject to the Act, a resolution in writing signed by every Member of the Company entitled to vote or being a corporation by its duly authorised representative shall have the same effect and validity as an ordinary resolution of the Company passed at a general meeting duly convened, held and constituted, and may consist of several documents in the like form, each sent to, and signed or approved by one (1) or more of such Members. The expressions “sent”, “in writing”, “signed” and “approved” include, respectively, transmission to and approval by any such Member by any form of Electronic Communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors. PROVIDED THAT resolutions relating to dispensing with the holding of Annual General Meetings and resolutions in respect of matters requiring Special Notice under the Act may not be passed pursuant to this Article 61.
62. The Chairman of the Board of Directors or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting. If there is no such Chairman or Deputy Chairman or if at any general meeting he is not present within fifteen minutes after the time appointed for holding the general meeting or is unwilling to act, the Directors present shall choose a Director amongst them to be Chairman of the general meeting or, if no Director is present or if all the Directors present are unwilling to take the Chair, or otherwise fail to choose a Director amongst them to be Chairman of the meeting, the Members present shall choose a Member present to be Chairman.
63. The Chairman may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the general meeting), adjourn the general meeting from time to time and from place to place, but no business shall be transacted at any adjourned general meeting except business which might lawfully have been transacted at the general meeting from which the adjournment took place. When a general meeting is adjourned for fourteen (14) days or more, notice of the adjourned general meeting shall be given as in the case of the original general meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned general meeting.
64. At any general meeting all resolutions put to the vote of the general meeting shall be decided by way of poll.
65. Subject to the Act and the requirements of the Exchange, the poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the general meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Exchange.

- 65A. At least one scrutineer shall be appointed for each general meeting. The appointed scrutineer(s) shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s). The appointed scrutineer shall exercise the following duties:
- (a) ensuring that satisfactory procedures of the voting process are in place before the general meeting; and
  - (b) directing and supervising the count of the votes cast through proxy and in person.
66. If any votes are counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the same general meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude.
67. Subject to the Act and the requirements of the Exchange, in the case of equality of votes, the Chairman of the general meeting shall be entitled to a second or casting vote in addition to the votes to which he may be entitled as a Member or as proxy of a Member.
68. (Blank.)
69. (Blank.)

#### **VOTES OF MEMBERS**

70. (1) Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 6, each Member is entitled to vote and may vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. A person who is entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.
- (2) Every Member who is present in person or by proxy, attorney or representative shall have one (1) vote for each share which he holds or represents.
- (3) Notwithstanding anything contained in these Articles, a Depositor shall not be entitled to attend any general meeting and to speak and vote thereat unless his name is certified by the Depository or a clearing house (as the case may be) to the Company as appearing on the Depository Register not later than forty-eight (48) hours before the time of the relevant general meeting (the *cut-off time*) as a Depositor on whose behalf the Depository holds shares in the Company. For the purpose of determining the number of votes which a Depositor or his proxy may cast on a poll, the Depositor or his proxy shall be deemed to hold or represent that number of shares entered in the Depositor's Securities Account at the cut-off time as certified by the Depository to the Company, or where a Depositor has apportioned the balance standing to his Securities Account as at the cut-off time between two (2) proxies, to apportion the said number of shares between the two (2) proxies in the same proportion as specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the number of shares standing to the credit of that Depositor's Securities Account as at the cut-off.
71. Where there are joint holders of any share any one (1) of such persons may vote and be reckoned in a quorum at any meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto but if more than one (1) of such joint holders is so present at any meeting then the person



present whose name stands first in the Register of Members or the Depository Register (as the case may be) in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.

72. If a Member be a lunatic, idiot or non-compos mentis, he may vote by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight (48) hours before the time appointed for holding the meeting.
73. Subject to the provisions of these Articles, every Member either personally or by proxy or by attorney or in the case of a corporation by a representative shall be entitled to be present, to speak and to vote at any general meeting and to be reckoned in the quorum thereat in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid. In the event a member has appointed more than one (1) proxy, only one (1) proxy is counted in determining the quorum.
- 73A. Where the Company has knowledge that any Member is, under the rules of the Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
74. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
75. On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative and a person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.
76. (1) Unless otherwise provided by the Act, a Member, if he holds more than one (1) share, may appoint one or more than one proxy to attend and vote at the same general meeting, provided always that:
- (2) If the Member is a Depositor, the Company shall be entitled:—
- (i) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered in its Securities Account as at the cut-off time as certified by the Depository to the Company; and
- (ii) to accept as validly cast by the proxy or proxies appointed by the Depositor on a poll that number of votes which corresponds to or is less than the aggregate number of shares entered in its Securities Account of that Depositor as at the cut-off time as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- (3) Where a Member appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.

- (4) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the member personally or by his attorney, or in the case of a corporation by its representative.
  - (5) Where a Member appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members or, in the case of a Depositor, standing to the credit of that Depositor's Securities Account as at the cut-off time as certified by the Depository to the Company, such proxy may not exercise any of the votes or rights of the shares not registered in the name of that Member in the Register of Members or standing to the credit of that Depositor's Securities Account as at the cut-off time, as the case may be.
  - (6) If the Chairman is appointed as proxy, he may authorise any other person to act as proxy in his stead. Where the Chairman has authorised another person to act as proxy, such other person shall be taken to represent all Members whom the Chairman represented as proxy. Attendance by a member shall invalidate his appointment of proxies.
77. A proxy or attorney need not be a Member, and shall be entitled to vote on any matter at any general meeting.
78. (1) Any instrument appointing a proxy shall be in writing in the common form or any other form approved by the Directors, (provided always that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. In addition, such instrument
- (i) in the case of an individual, shall be
    - (A) executed under the hand of the appointor or his attorney duly authorised in writing if the instrument is delivered personally or sent by post; or
    - (B) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is sent by Electronic Communication; and
  - (ii) in the case of a corporation, shall be:
    - (A) executed under seal in accordance with its constitutional documents or under the hand of its attorney or its officer duly authorised or in such manner as appropriate under applicable laws if the instrument is delivered personally or by post; or
    - (B) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is sent by Electronic Communication.
- (2) The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer and the Company shall accept as valid in all respects the form of proxy approved by the Directors for use at the date relevant to the general meeting in question.
  - (3) An instrument of proxy shall be deemed to include the power to speak at the meeting, and to demand or join in demanding a poll. Unless otherwise instructed, a proxy or an attorney shall vote as he thinks fit. The signature on an instrument appointing a proxy need not be witnessed. The instrument of proxy, shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

79. The original instrument appointing a proxy, together with the original power of attorney or other authority, if any, under which the instrument of proxy is signed or a duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the original instrument of proxy and must be left at the Office or Registration Office or such other place (if any) as is specified for the purpose in the notice convening the meeting not less than forty-eight (48) hours before the time appointed for the holding of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used failing which the instrument may be treated as invalid. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that an instrument of proxy relating to more than one (1) meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates. An instrument appointing a proxy or the power of attorney or other authority, if any, if sent by Electronic Communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting.
80. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Articles shall also include a power of attorney) shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.
- 80A. Subject to these Articles and the Act, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.
81. Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company. The Company shall be entitled to treat an original certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this Article.
- 81A. If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives or proxies at any meeting of the Company or at any meeting of any class of Members PROVIDED ALWAYS THAT, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article 81A shall be deemed to have been duly authorised without the need to produce any further documents of title, notarised authorisation and/or other evidence of fact to substantiate that such person is duly authorised, and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).

## **DIRECTORS**

82. The number of the Directors, all of whom shall be natural persons, shall not be less than two (2).
83. The Company in general meeting may, subject to the provisions of these Articles, from time to time remove any Director before the expiration of his period of office (notwithstanding anything in these Articles or in any agreement between the Company and such Director) and appoint another person in place of a Director so removed, and may increase or reduce the number of Directors, and may alter their share qualifications. Until otherwise determined by a general meeting, there shall be no maximum number.
84. A Director need not be a Member and shall not be required to hold any share qualification in the Company and shall be entitled to attend and speak at general meetings but subject to the provisions of the Act he shall not be of or over the age of seventy (70) years at the date of his appointment.
85. (1) The fees of the Directors shall be determined from time to time by the Company in general meetings and such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting where notice of the proposed increase shall have been given in the notice convening the meeting. Such fees shall be divided among the Directors in such proportions and manner as they may agree and in default of agreement equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such fee is payable shall be entitled only to rank in such division for the proportion of fee related to the period during which he has held office.
- (2) Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which, in the opinion of the Directors, are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject however as is hereinafter provided in this Article.
- (3) The fees (including any remuneration under Article 85(2) above) in the case of a Director other than an Executive Director shall be payable by a fixed sum and shall not at any time be by commission on or percentage of the profits or turnover, and no Director whether an Executive Director or otherwise shall be remunerated by a commission on or percentage of turnover.
86. The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
87. Subject to the Act, the Directors on behalf of the Company may pay a gratuity or other retirement, superannuation, death or disability benefits to any Director or former Director who had held any other salaried office or place of profit with the Company or to his widow or dependants or relations or connections or to any persons in respect of and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.
88. The Directors may procure the establishment and maintenance of or participate in or contribute to any non-contributory or contributory pension or superannuation fund or life assurance scheme or any other scheme whatsoever for the benefit of and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of the predecessors in business of the Company or of any subsidiary company, and the wives, widows, families or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription and support to any institutions,

associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid or of its Members and payment for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

89. (1) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article, a general notice to the Board to the effect that (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm, or (b) he is to be regarded as interested in any contract or arrangement, which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided always that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
- (2) Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 505 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Relevant Laws, the Company shall not directly or indirectly: (i) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Exchange); (ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company. Article 89(2) shall only have effect for so long as the shares of the Company are listed on the Hong Kong Stock Exchange.
- (3) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any transaction, contract or arrangement or any other proposal in which he or any of his close associates directly or indirectly has a personal material interest.

If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting (or, where question relates to the interest of the chairman of the meeting, to the other Directors at the meeting) and his ruling (or, as appropriate, the ruling of the other Directors) in relation to such other Director (or, as appropriate, the chairman of the meeting) shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (or, as appropriate, the chairman of the meeting) as known to such Director (or, as appropriate, the chairman of the meeting) has not been fairly disclosed to the Board. Upon approval by a majority of the independent non-executive Directors, professional advisors at the cost of the Company can be engaged without the need to obtain prior approval from other members of the Board.

- (4) The provisions of this Article may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting, and any particular contract, arrangement or transaction carried out in contravention of this Article may be ratified by ordinary resolution of the Company, subject to the Act and any applicable laws, provided that a Director whose action is being ratified by this ordinary resolution shall refrain from voting on this ordinary resolution as a shareholder at that general meeting.
90. (1) A Director may hold any other office or place of profit under the Company (except that of auditor) and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director, and on such terms as to remuneration and otherwise as the Directors shall determine. A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as vendor, purchaser, shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs. For the avoidance of doubt, as long as the shares of the Company are listed on the Hong Kong Stock Exchange, an independent non-executive Director or any firm of which he is a member shall not be allowed to act in any professional capacity for the Company during the tenure of his office as an independent non-executive Director and at any time during the twelve (12) months immediately preceding his appointment.
- (2) The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as the Directors think fit in the interests of the Company (including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any such Director of the Company may vote in favour of the exercise of such voting powers in the manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company.

#### **CHIEF EXECUTIVE OFFICER(S)/MANAGING DIRECTOR(S)**

91. The Directors may from time to time appoint one (1) or more of their body or such other person(s) to the office of Chief Executive Officer(s)/Managing Director(s) of the Company (or any equivalent appointment(s) howsoever described) for such period and on such terms as they think fit, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places. Where a Chief Executive Officer/Managing Director (or a person holding an equivalent appointment) is appointed for a fixed term, such term shall not exceed five (5) years.
92. Any Director who is appointed as a Chief Executive Officer/Managing Director (or an equivalent appointment) shall be subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors of the Company notwithstanding the provisions of his contract of service in relation to his executive office and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately cease to be a Chief Executive Officer/Managing Director.
93. The remuneration of a Chief Executive Officer/Managing Director (or any Director holding an equivalent appointment) shall from time to time be fixed by the Directors and may subject to these Articles be by way of salary or commission or participating in profits or by any or all of these modes but he shall not under any circumstances be

remunerated by a commission on or a percentage of turnover.

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

#### **VACATION OF OFFICE OF DIRECTOR/REMOVAL AND RESIGNATION**

95. (1) Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a Director shall be vacated on any one of the following events, namely:–
- (i) if he is prohibited from being a Director by reason of any order made under the Act or any other law;
  - (ii) if he ceases to be a Director by virtue of any of the provisions of the Act;
  - (iii) if he resigns by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
  - (iv) if he shall become bankrupt or have a bankruptcy order made against him or if he suspends payments or makes any arrangement or composition with his creditors generally;
  - (v) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
  - (vi) if he absents himself from meetings of the Directors for a continuous period of six (6) months without leave from the Directors and the Directors resolve that his office be vacated;
  - (vii) if he is removed by a resolution of the Company in general meeting pursuant to these Articles;
  - (viii) subject to the provisions of the Act, at the conclusion of the Annual General Meeting commencing next after he attains the age of seventy (70) years;
  - (ix) if he becomes disqualified from acting as Director in any jurisdiction for reasons other than on technical grounds; or
  - (x) if he becomes of unsound mind.
- (2) The Company may by ordinary resolution of which special notice has been given remove any Director before the expiration of his period of office, notwithstanding any provision of these Articles or of any agreement between the Company and such Director but without prejudice to any claim he may have for damages for breach of any such agreement. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.

96. Unless the Company agrees otherwise, a Director who is appointed by the Company as director of any related or associated company of the Company shall resign (without compensation whatsoever) as such director if he is removed as Director of the Company or if his office as Director is vacated (notwithstanding any agreement between the Director and the Company or any such related or associated company). Unless the Company agrees otherwise, an employee of the Company who is appointed director of any related or associated company of the Company shall resign (without compensation whatsoever) as such director if he ceases for any reason whatsoever to be an employee of the Company.

## **ROTATION OF DIRECTORS**

97. Subject to these Articles and to the Act, at each Annual General Meeting at least one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation. For the avoidance of doubt, each Director shall retire from office at least once every three (3) years. Any Director appointed pursuant to Article 95(2) or Article 101 shall not be taken into account when determining which Directors are to retire by rotation.
98. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election but shall not include any Director who is due to retire at the meeting by reason of age. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment or have been in office for the three (3) years since their last election. However as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
99. The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill up the vacated office by electing a person thereto. In default the retiring Director shall be deemed to have been re-elected, unless:—
- (i) at such meeting it is expressly resolved not to fill up such vacated office or a resolution for the re-election of such Director is put to the meeting and lost; or
  - (ii) such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected;
  - (iii) such Director has attained any retiring age applicable to him as a Director; or
  - (iv) the nominating committee appointed has given notice in writing to the directors that such director is not suitable for re-appointment, having regard to the Director's contribution and performance.

The retirement of any Director who is deemed to have been re-elected shall not have effect until the conclusion of the meeting and such Director will continue in office without a break.

100. No person, other than a Director retiring at the meeting, shall, unless recommended by the Directors for re-election, be eligible for appointment as a Director at any general meeting unless not less than eleven (11) clear days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some Member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing duly signed by the nominee giving his consent to the nomination and signifying his candidature for the office or the intention of such Member to propose him. Provided that in the case of a



person recommended by the Directors for election nine (9) clear days' notice only shall be necessary and notice of each and every candidate for election shall be served on all Members at least seven (7) clear days prior to the meeting at which the election is to take place.

101. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but the total number of Directors shall not at any time exceed the maximum number (if any) fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

### **ALTERNATE DIRECTORS**

102. (1) Any Director of the Company may at any time appoint any person who is not a Director or alternate Director and who is approved by a majority of his co-Directors to be his alternate Director for such period as he thinks fit and may at any time remove any such alternate Director from office. An alternate Director so appointed shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company. Any fee paid to an alternate Director shall be deducted from the remuneration otherwise payable to his appointor.
- (2) An alternate Director shall (subject to his giving to the Company an address in Singapore) be entitled to receive notices of all meetings of the Directors and to attend and vote as a Director at such meetings at which the Director appointing him is not personally present and generally to perform all functions of his appointor as a Director in his absence.
- (3) An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director otherwise than by retiring and being re-elected at the same meeting.
- (4) All appointments and removals of alternate Directors shall be effected in writing under the hand of the Director making or terminating such appointment left at the Office.
- (5) No person shall be appointed the alternate Director for more than one (1) Director. No Director may act as an alternate Director.
- (6) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being under these Articles but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the directors attended by him at which he is entitled to vote. Provided that he shall not constitute a quorum if he is the only person present at the meeting notwithstanding that he may be an alternate to more than one director.

### **PROCEEDINGS OF DIRECTORS**

103. (1) The Directors may meet together for the despatch of business, adjourn or otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the Chairman of the meeting shall have a casting vote provided always that where two (2) Directors form a quorum, the Chairman of a meeting at which only

such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote.

- (2) A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors by notice in writing given to each Director but it shall not be necessary to give notice of a meeting of directors to any director or alternate director for the time being absent from Singapore or Hong Kong.
  - (3) The accidental omission to give to any Director, or the non-receipt by any Director of, a notice of a meeting of Directors shall not invalidate the proceedings at that meeting.
  - (4) Directors may participate in a meeting of the Board of Directors by means of a conference telephone, videoconferencing, audio visual, or other electronic means of communication by which all persons participating in the meeting can hear one another contemporaneously, without having to be in the physical presence of each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. A Director participating in a meeting in this way may also be taken into account in ascertaining the presence of a quorum at the meeting. The signature of a Director by facsimile, electronic mail, telex, cable or telegram or any form of Electronic Communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors, on any document confirming his attendance shall be sufficient evidence of his presence at the meeting. The minutes of such a meeting signed by the Chairman shall be sufficient evidence of any resolution of any meeting conducted in the manner as aforesaid. Unless otherwise agreed by the Directors, such a meeting shall be deemed to take place where the largest group of Directors present for the purpose of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is present.
  - (5) In the case of a meeting which is not held in person, the fact that a Director is taking part in the meeting must be made known to all the other Directors taking part, and no Director may disconnect or cease to take part in the meeting unless he makes known to all other Directors taking part that he is ceasing to take part in the meeting.
104. Unless otherwise determined by the Directors, the quorum necessary for the transaction of business of the Directors shall be two (2). A meeting of the Directors at which a quorum is present at the time the meeting proceeds to business shall be competent to exercise all the powers and discretions for the time being exercisable by the Directors.
  105. The Directors may act notwithstanding any vacancies provided that if the number of Directors is reduced below the minimum number fixed by or pursuant to these Articles as the necessary quorum of Directors, the remaining Directors or Director may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to summon a general meeting of the Company. If there are no Directors or Director able or willing to act, then any two (2) Members may summon a general meeting for the purpose of appointing Directors.
  106. The Directors may from time to time elect a Chairman and, if desired, a Deputy Chairman and determine the period for which he is or they are to hold office. The Deputy Chairman shall perform the duties of the Chairman during the Chairman's absence. The Chairman or, in his absence, the Deputy Chairman shall preside as Chairman at meetings of the Directors but if no such Chairman or Deputy Chairman is elected or if at any meeting the Chairman and the Deputy Chairman are not present within five (5) minutes after the time appointed for holding the same, the Directors present shall choose one (1)

of their number to be Chairman of such meeting. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote except that the Chairman of a meeting at which only two Directors are present to form a quorum or at which only two (2) Directors are competent to vote on the question at issue shall not have a second or casting vote.

107. A resolution in writing, a copy of which has been sent to each Director and which is approved on any date by a majority of the Directors for the time being in Singapore or elsewhere on that date (who are not prohibited by the law or these Articles from voting on such resolutions) shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one (1) or more Directors. The expressions “sent”, “in writing”, “signed” and “approved” include, respectively, transmission to and approval by any such Director by any form of Electronic Communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.
108. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.
109. A committee may elect a Chairman of its meetings. If no such chairman is elected, or if at any meeting the Chairman is not present within five (5) minutes after the time appointed for holding the same, the members present may choose one (1) of their number to be Chairman of the meeting.
110. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
111. All acts done by any meeting of Directors or a committee of Directors or by any person acting as Director shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

## **GENERAL POWERS OF DIRECTORS**

112. The management of the business of the Company shall be vested in the Directors who (in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them) may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in general meeting. Provided that the Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company’s undertaking unless such proposals have been approved by the Company in general meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.
113. The Directors may establish any local boards or agencies for managing any affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon

such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person acting in good faith and without notice of any such annulment or variation shall be affected thereby.

114. Directors may from time to time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
115. The Company or the Directors on behalf of the Company may in exercise of the powers in that behalf conferred by the Act cause to be kept a Branch Register or Registers of Members and the Directors may (subject to the provisions of the Act) make and vary such regulations as they think fit in respect of the keeping of any such Registers.
116. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

## **BORROWING POWERS**

117. The Directors may at their discretion exercise all the powers of the Company to borrow or otherwise raise money, to mortgage, charge or hypothecate all or any property or business of the Company including any uncalled or called but unpaid capital and to issue debentures or give any other security, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

## **SECRETARY**

118. The Secretary or Secretaries shall, and a Deputy or Assistant Secretary or Secretaries may, be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary, Deputy or Assistant Secretary so appointed may be removed by them. Anything required or authorised by these Articles or the Relevant Laws to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors, provided always that any provision of these Articles or the Relevant Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## **SEAL**

119. (1) The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or a committee of Directors authorised by the Directors in that behalf, and every instrument to which the Seal is affixed shall (subject to the provisions of these Articles as to certificates for shares) be signed autographically by two (2) Directors, or by a Director and by the Secretary or some other person appointed by the Directors in place of the Secretary for the

purpose.

- (2) The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.
- (3) The Company may have a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words *Share Seal*.

## **AUTHENTICATION OF DOCUMENTS**

120. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
121. A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of Directors which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors. Any authentication or certification made pursuant to this Article or the last preceding Article may be made by any electronic or other means approved by the Directors from time to time for such purpose, incorporating, if the Directors deem necessary, the use of security procedures or devices approved by the Directors.

## **DIVIDENDS AND RESERVES**

122. The Directors may, with the sanction of the Company, by ordinary resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company.
123. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise provided by the Act:
  - (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
  - (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored and shall not entitle the holder of such share to participate in respect thereof in a dividend subsequently declared.

124. Without the need for sanction of the Company under Article 122, if, and so far as in the opinion of the Directors, the profits of the Company justify such payments, the Directors may pay fixed preferential dividends on any express class of shares carrying a fixed

preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and may also from time to time pay to the holders of any class of shares interim dividends thereon of such amounts and on such dates as they may think fit.

125. No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.
126. The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith, or any other account which the Company is required by law to withhold or deduct.
127. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
128. The Directors may retain the dividends payable on shares in respect of which any person is under these Articles, as to the transmission of shares, entitled to become a Member, or which any person under these Articles is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.
129.
  - (1) The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six (6) years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever. If the Depositor returns any such dividend or money to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or money against the Company if a period of six (6) years has elapsed from the date of the declaration of such dividend or the date on which such other money was first payable.
  - (2) A payment by the Company to the Depositor of any dividend or other money payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.
130. The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company or in any one or more of such ways, and the Directors shall give effect to such Resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
131.
  - (1) Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in

respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

- (i) the basis of any such allotment shall be determined by the Directors;
  - (ii) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such election or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article;
  - (iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion;
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the *elected ordinary shares*) and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Article 135, the Directors shall (a) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis or (b) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.
- (2) (i) The ordinary shares allotted pursuant to the provisions of Article 131(1) shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- (ii) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of Article 131(1) with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in these Articles,

provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned).

- (3) The Directors may, on any occasion when they resolve as provided in Article 131(1) determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Article shall be read and construed subject to such determination.
  - (4) The Directors may, on any occasion when they resolve as provided in Article 131(1) further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register are outside Singapore or Hong Kong or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlement of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.
  - (5) Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of Article 131(1) in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of Article 131(1).
132. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may by writing direct provided that where the Member is a Depositor, the payment by the Company to the Depository of any dividend payable to a Depositor shall to the extent of the payment discharge the Company from any further liability in respect of the payment. Every such cheque and warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque and warrant shall be sent at the risk of the person entitled to the money represented thereby.
133. A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer.
134. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly



be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund, any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it not prudent to divide. In carrying such sums to reserve and applying the same, the Directors shall comply with the provisions of the Relevant Laws.

## **CAPITALISATION OF PROFITS AND RESERVES**

135. (1) The Directors may, with the sanction of an ordinary resolution of the Company (including any ordinary resolution passed pursuant to Article 47(2):

(a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the Depository Register at the close of business on:

(i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an ordinary resolution passed pursuant to Article 47(2)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and

(b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:

(i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an ordinary resolution passed pursuant to Article 47(2)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(2) In addition and without prejudice to the powers provided for by Article 135(1) and 137, the Directors shall have power to issue shares for which no consideration is payable and to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up such shares in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in general meeting and on such terms as the Directors shall think fit.

136. Blank.

137. The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation with full power to the Directors to make

such provision for the satisfaction of the right of the holders of such shares in the Register of Members or in the Depository Register as the case may be and as they think fit for any fractional entitlements which would arise including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned. The Directors may authorise any person to enter, on behalf of all the members interested, into an agreement with the Company providing for any such bonus issue and/or capitalisation and matters incidental thereto, and any agreement made under such authority shall be effective and binding on all concerned.

## **MINUTES AND BOOKS**

138. (1) The Directors shall cause minutes to be made in books to be provided for the purpose of recording:–
- (i) all appointments of officers made by the Directors;
  - (ii) the names of the Directors present at each meeting of Directors and of any committee of Directors: and
  - (iii) all resolutions and proceedings at all meetings of the Company and of any class of Members, of the Directors and of committees of Directors.
- (2) Any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts stated therein.
139. The Directors shall duly comply with the provisions of the Act and in particular the provisions with regard to the registration of charges created by or affecting property of the Company, keeping a Register of Directors and Secretaries, a Register of Members, a Register of Mortgages and Charges and a Register of Directors' Share and Debenture Holdings and the production and furnishing of copies of such Registers and of any Register of Holders of Debentures of the Company.
140. Any register, index, minute book, book of accounts or other book required by these Articles or by the Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery.

## **ACCOUNTS**

141. The Directors shall cause to be kept such accounting and other records as are necessary to comply with the provisions of the Act and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited and to give a true and fair view of the Company's affairs and to explain its transactions.
142. Subject to the provisions of Section 199 of the Act, the books of accounts shall be kept at the Office or at such other place or places as the Directors think fit within Singapore and shall be open to the inspection of the Directors. No Member (other than a Director) shall have any right to inspect any account or book or document or other recording of the Company except as is conferred by law or authorised by the Directors or by an ordinary resolution of the Company.
143. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary. The interval between the close of a financial year of the Company and the Company's Annual General Meeting shall not exceed four (4) months (or such other period as may be prescribed by the Act and the byelaws and listing rules of the Exchange).

144. A copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by the Relevant Laws to be annexed thereto) together with a copy of every report of the auditors relating thereto and of the Directors' report shall not less than 21 days before the date of the meeting be sent by post to the registered address of every Member of, and every holder of debentures (if any) of, the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles; provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one (1) of the joint holders of a share in the Company or the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office.

Subject to due compliance with all applicable Relevant Laws, rules and regulations, including, without limitation, the rules of the Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of this Article 144 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Relevant Laws, summarised financial statements derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided always that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

The requirement to send to a person the documents referred to in this Article 144 shall be deemed satisfied where, in accordance with all applicable Relevant Laws, rules and regulations, including, without limitation, the rules of the Exchange, the Company publishes copies of the documents on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

145. Such number of each document as is referred to in the preceding Article or such other number as may be required by the Exchange shall be forwarded to the Exchange at the same time as such documents are sent to the Members.

## **AUDITORS**

146. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act. Every auditor of the Company shall have a right of access at all times to the accounting and other records of the Company and shall make his report as required by the Act. At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company. The remuneration of the Auditors shall be fixed by the Company in general meeting. The removal of Auditors shall be approved by an ordinary resolution. If the office of the Auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.

147. Subject to the provisions of the Act, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.
148. The auditors shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting to which any Member is entitled and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors.
149. Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Exchange), whether or not, to be given or issued under these Articles from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of Electronic Communication and any such notice and document may be served or delivered by the Company upon any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his Singapore or Hong Kong registered address as appearing in the Register of Members or, in the case of a Depositor or a clearing house (as the case may be), such address as may be notified in the Depository or a clearing house (as the case may be) to the Company for the purpose of the despatch of such notice or document, or, at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number of address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with the requirements of the Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website.
- 149A. A Member shall be entitled to have notice served on him at any address within Hong Kong. Any Member who has not given an express positive confirmation in writing to the Company in the manner specified in the listing rules of the Hong Kong Stock Exchange to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A Member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such Member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any Member whose registered address is outside Hong Kong. This Article 149A shall be effective as long as the shares of the Company are listed on the Hong Kong Stock Exchange.
150. All notices with respect to any shares to which persons are jointly entitled shall be given to whichever of such persons is named first on the Register of Members or the Depository Register (as the case may be) and notice so given shall be sufficient notice to all the holders of such shares.

151. (1) Any Member with a registered address shall be entitled to have served upon him at such address or current address (as the case may be) any notice or document with which he is entitled to be served under these Articles.
- (2) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every Notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.
152. (Blank.)
153. A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address in Singapore for the service of notice, shall be entitled to have served upon him (subject to Article 150) at such address any notice or document to which the Member but for his death or bankruptcy or otherwise would be entitled and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the registered address or given, sent or served by Electronic Communication to the current address (as the case may be) of any Member in pursuance of these Articles shall (notwithstanding that such Member be then dead or bankrupt or otherwise not entitled to such share and whether or not the Company have notice of the same) be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder.
154. Any notice or other document if sent by post, and whether by airmail or not, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted, and in proving such service by post it shall be sufficient to prove that the letter or wrapper containing the same was properly addressed and put into the post office as a prepaid letter or wrapper. Any notice given, sent or served using Electronic Communication (as the case may be) shall be deemed to have been duly given, sent or served upon transmission of the Electronic Communication to the current address of such person or as otherwise provided under the Act and/or other applicable regulations or procedures, and may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Relevant Laws, rules and regulations.
155. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature/name of the Secretary or other duly authorised officer of the Company, whether such signature/name is printed, written or electronically signed.
156. When a given number of days' notice or notice extending over any other period is required to be given the day of service shall, unless it is otherwise provided or required by these Articles or by the Act, be not counted in such number of days or period.
157. Notice of every general meeting shall be given in manner hereinbefore authorised to:—
- (i) every Member;
  - (ii) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the meeting;
  - (iii) the auditor for the time being of the Company; and
  - (iv) the Exchange.

## UNTRACEABLE MEMBERS

158. (1) Without prejudice to the rights of the Company under paragraph (2) of this Article, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on three (3) consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- (2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:
- (i) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles have remained uncashed;
  - (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
  - (iii) the Company, if so required by the rules governing the listing of shares on the Exchange, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Exchange to be made of its intention to sell such shares in the manner required by the Exchange, and a period of three (3) months or such shorter period as may be allowed by the Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (iii) of this Article and ending at the expiry of the period referred to in that paragraph.

- (3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

## WINDING UP

159. A special resolution is required to approve the voluntary winding up of the Company. The Board shall have the power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up (whether the liquidation is under supervision or by the Court). The liquidator may, with the authority of a special resolution, divide among the Members in specie or kind the whole or any part of the

assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator with the like authority thinks fit, and the liquidation of the Company may be closed and the Company dissolved, but no Member shall be compelled to accept any shares or other securities in respect of which there is a liability.

## INDEMNITY

160. (1) Subject to the provisions of the Act, every Director, Chief Executive Officer/Managing Director, auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him;
- (i) in the execution and discharge of his duties as an officer or auditor of the Company, unless the same arises through his own negligence, wilful default, breach of duty or breach of trust; or
  - (ii) in defending any proceedings whether civil or criminal (relating to the affairs of the Company) in which judgment is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the Court unless such proceedings arise through his own negligence, wilful default, breach of duty or breach of trust.
- (2) Without prejudice to the generality of the foregoing, no Director, Chief Executive Officer/Managing Director, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence, wilful default, breach of duty or breach of trust.

## SECRECY

161. No Member shall be entitled to require discovery of or any information relating to any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Members of the Company to communicate to the public save as may be authorised by law or required by the listing rules of the Exchange.

## DATA PROTECTION

162. Each of the Shareholders and Directors (from time to time) consents to the collection, use and/or disclosure of his personal data by the Company, its Shareholders and Directors (each, a "**Recipient**") for the purposes of, amongst other things, due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may collect, use and/or disclose such personal data either electronically or manually.

The personal data that may be collected, used and/or disclosed for such purposes under this Article 162 shall include any information which may have a bearing on the prudence or commercial merits for investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required or permitted by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:

- (1) a Member of the same Group as the Recipient (each a “**Recipient Group Company**”);
- (2) employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
- (3) funds managed by any of the Recipient Group Companies.

Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside Singapore, for the purposes stated above, where it is necessary or desirable to do so.

### **COMPLIANCE WITH LAWS**

163. Being a company incorporated in Singapore and listed on the Exchange, the Company is required to comply with the Relevant Laws, including but not limited to the Relevant Laws of Singapore and Hong Kong. In the event of any conflict among the Relevant Laws, the Company shall comply with the most onerous Statute(s), subject to approvals from the relevant stock exchanges and/or government authorities.

### **AMENDMENT OF ARTICLES**

164. No Article shall be rescinded, altered or amended and no new Article shall be made until the same has been approved by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association or to change the name of the Company and as permitted in the circumstances provided under the Act.
165. There should not be any alteration in the Article and the memorandum of association to increase an existing member’s liability to the Company unless such increase is agreed by such member in writing.



**ARTICLES OF ASSOCIATION**

of

**WEIYE HOLDINGS LIMITED**



LOCAL COMPANY TRANSACTIONS

HOME

LOGOUT

### Notice of special resolution of change of local company name

Please fill in the following information. Fields marked \* must be completed.

**Record saved successfully.**

#### Special Resolution Made

Company Name : **KYODO-ALLIED INDUSTRIES LTD**

Nature of Meeting :\* **Members**

Please select one option :\*  Meeting deemed held  
 Meeting held

If 'Meeting held' is selected, please specify Place of Meeting : **371 BEACH ROAD #09-06/11 KEYPOINT SINGAPORE 199597**

Date of Meeting :\* **22/07/2011** (dd/mm/yyyy)

Attachment (Copy of resolution) :\*

**Note :**

Uploaded file name will be changed by suffixing time-stamp with the actual file name as filenameyyyyymmddmisstt  
 Maximum File Size : 2048 KB

(Click 'Browse' to select file for attachment)

001Kyodo-Allied - Notice of Reso(change of name).pdf

#### Person(s) signing the resolution or the minutes incorporating the resolution or the written resolution (section 184A or 184G)

If a director/ secretary signed the above, please select accordingly :

S0184137H / LEE SEN CHOON / DIRECTOR  
 S0276065G / LEE SIN SWAN @ LEE SENG SUAN / SECRETARY  
 S1362563H / CHOONG WEI SIONG / DIRECTOR  
 S1489018A / LING CHUEN / DIRECTOR  
 S2176134F / LEE ZONG TANG / DIRECTOR  
 S2720569J / HIROSHI NAKAGAWA / DIRECTOR

If a person other than a director / secretary signed the above, please enter name(s) and capacity(ies) or designation of person(s) who signed the resolution or the minutes incorporating the resolution or the written resolution :

#### Registration of company name without addition of "Limited" or "Berhad"

I have obtained Minister's licence to register without the addition of the word "Berhad" or "Limited" to the proposed company name.  
 I have not obtained Minister's licence and would like to apply for it now.

**Attachment :**

(Please attach application letter for Minister's licence if you wish to apply for it now )

**Note :**

Uploaded file name will be changed by suffixing time-stamp with the actual file name as **filenameyyyymmddmisstt**  
Maximum File Size : 2048 KB

(Click 'Browse' to select file for attachment)

**Declaration**

I, KOH EE KOON , a prescribed person , declare the information which has been submitted herein to be true to the best of my knowledge.

NOTICE OF RESOLUTION

Name of Company: KYODO-ALLIED INDUSTRIES LTD

Company No: 198402850E

SPECIAL RESOLUTION

PROPOSED CHANGE OF NAME OF THE COMPANY FROM 'KYODO-ALLIED INDUSTRIES LTD' TO 'WEIYE HOLDINGS LIMITED'

THAT subject to and contingent upon all the Ordinary Resolutions being passed and the Acquisition being completed, the name of the Company be changed to 'Weiyee Holdings Limited' and that the name 'Weiyee Holdings Limited' shall be substituted for 'Kyodo-Allied Industries Ltd', wherever the latter name appears in the Company's Memorandum and Articles of Association.

This special resolution was duly passed at the Extraordinary General Meeting of the Company duly convened and held on 22 July 2011.



Lee Seng Suan  
Company Secretary



**LOCAL COMPANY TRANSACTIONS**

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**Notice of Resolution**

Please fill in the following information. Fields marked \* must be completed.

**Record saved successfully.**

**Notice of Resolution**

Registration No. : **198402850E**  
 Company Name : **KYODO-ALLIED INDUSTRIES LTD**  
 Nature of Meeting :\* **members**  
 Place of Meeting :\* **371 BEACH ROAD #09-06/11**

**KEYPOINT, SINGAPORE 199597**

Date of Meeting :\* **22/07/2011** (dd/mm/yyyy)

Resolution Type :\* **Ordinary Resolution**

**ORDINARY AND SPECIAL RESOLUTIONS**  
**- PLEASE REFER ATTACHMENT**

Description :\*  
 (max 2000 characters)

Attachment :\*  
 (copy of resolution)

Uploaded file name will be changed by suffixing  
 time-stamp with the actual file name as  
**filenameyyyyMMddmmsst**  
 Maximum File Size : 2048 KB

[Browse...](#)

ed Industries Ltd - Notice of Resolutions20110802105439.pdf

**Person(s) signing the resolution or the minutes incorporating the resolution or the written resolution (section 184A or 184G)**

If a director/ secretary signed the above, please select accordingly :

- S0184137H / LEE SEN CHOON / Director  
 S0276065G / LEE SIN SWAN @ LEE SENG SUAN / Secretary  
 S1362563H / CHOONG WEI SIONG / Director  
 S1489018A / LING CHUEN / Director  
 S2176134F / LEE ZONG TANG / Director  
 S2720569J / HIROSHI NAKAGAWA / Director

If a person other than a director / secretary signed the above, please enter name(s) and capacity(ies) or designation of person(s) who signed the resolution or the minutes incorporating the resolution or the written resolution :

**Declaration by Professional Body/Service Bureau**

I, CHIA AH NGIT, a prescribed person, declare the information which has been submitted herein to be true and to the best of my knowledge.

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## NOTICE OF RESOLUTIONS

Name of Company: KYODO-ALLIED INDUSTRIES LTD

Company No: 198402850E

### AS ORDINARY RESOLUTIONS

**Resolution 1: Proposed acquisition of the entire issued and paid-up share capital of Great Spirit Management Limited ("Great Spirit") from Well Fal International Limited, Earn Prosper Limited, Ring Bond Limited, and Max Fill International Limited, (collectively, the "Vendors")**

THAT subject to and contingent upon Resolutions 2, 3, 4, 5, 6 and 7 being passed,

- (a) approval be and is hereby given to the Company for the acquisition of the entire issued and paid-up share capital of Great Spirit, from the Vendors (the "Acquisition") on the terms and subject to the conditions of the Sale and Purchase Agreement dated 10 March 2011 and amended by the Supplemental Agreement entered dated 24 May 2011 entered into between the Company and the Vendors; and
- (b) authority be and is hereby given for the Directors of the Company to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purposes of giving effect to the Acquisition or to give effect to this Resolution or the transactions contemplated by the Acquisition.

**Resolution 2: Proposed consolidation of every 3.5 existing Shares of the Company into one (1) Consolidated Share**

THAT subject to and contingent upon Resolutions 1, 3, 4, 5, 6 and 7 being passed, approval be and is hereby given to the Company for the consolidation of every 3.5 ordinary shares in the capital of the Company held by Shareholders of the Company, at a books closure date to be determined, into one (1) Consolidated Share in the capital of the Company, fractional entitlements to be disregarded.

**Resolution 3: Proposed allotment and issue of the Consideration Shares to the Vendors and/or its designated holders**

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 6 and 7 being passed, pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised to allot and issue 1,643,835,616 new ordinary shares in the capital of the Company (the "Consideration Shares") to the Vendors and its designated holders, at an Issue Price of S\$0.365 per share, credited as fully-paid, in satisfaction of the consideration for the Acquisition.

**Resolution 4: Whitewash Resolution for the waiver by Independent Shareholders of their right to receive a mandatory general offer from the Vendors and its concert parties**

THAT subject to and contingent upon Resolutions 1, 2, 3, 5, 6 and 7 being passed and pursuant to the letter dated 3 May 2011 from the Securities Industry Council, the Shareholders of the Company who are independent of the Vendors and its concert parties, on a poll taken, do hereby unconditionally and irrevocably waive their right to receive a General Offer for all the shares held by them to be made by the Vendors and its concert parties at the highest price.

*NOTICE OF RESOLUTIONS*

Name of Company: KYODO-ALLIED INDUSTRIES LTD

2

Company No: 188402850E

paid or agreed to be paid by the Vendors and its concert parties in the 6 months prior to the Vendors and its concert parties incurring the General Offer obligation under Rule 14 of the Code, as a result of the acquisition by the Vendors (and its concert parties) of more than 30% of the voting rights in the Company pursuant to the allotment and issue of the Consideration Shares.

**Resolution 5: Proposed allotment and issue of 49,315,068 new Shares to Stone Villa Limited in satisfaction of the consideration for the Consultancy Agreement**

THAT subject to and contingent upon Resolutions 1, 2, 3, 4, 6 and 7 being passed and the Acquisition being completed, the Directors be and are hereby authorised to allot and issue 49,315,068 new ordinary shares to Stone Villa Limited in accordance with the Consultancy Agreement, at an Issue Price of S\$0.365 per share, credited as fully-paid.

**Resolution 6: Proposed appointment of new directors of the Company**

THAT subject to and contingent upon Resolutions 1, 2, 3, 4, 5 and 7 being passed and the Acquisition being completed and subject further to their individual consent to act, the following persons be appointed as directors of the Company with effect from Completion:

- Zhang Wei
- Chen Zhiyong
- Zhang Jianwei
- Dong Xincheng
- Chia Wei Ho
- Marcus Chow Wen Kwan

**AS SPECIAL RESOLUTION**

**Resolution 7: Proposed change of name of the Company from 'KYODO-ALLIED INDUSTRIES LTD' TO 'WEIYE HOLDINGS LIMITED'**

THAT subject to and contingent upon all the Ordinary Resolutions being passed and the Acquisition being completed, the name of the Company be changed to 'Weiyee Holdings Limited' and that the name 'Weiyee Holdings Limited' shall be substituted for 'Kyodo-Allied Industries Ltd', wherever the latter name appears in the Company's Memorandum and Articles of Association.

These ordinary and special resolutions were duly passed at the Extraordinary General Meeting of the Company duly convened and held on 22 July 2011.



Lee Seng Suan  
Company Secretary

THE COMPANIES ACT  
(CHAPTER 50)/  
The Companies Regulations 1987  
‡Sections 17 (7), 26 (2), 30 (4), 31 (1) and (2),  
33 (9), 34, 186 (1), 227B (1) and 290 (2)/  
Regulations 24 and 66

NOTICE OF RESOLUTION

FORM

11

Folio No

Name of Company: KYODO-ALLIED INDUSTRIES PTE LTD

Company No: 198402850E

The Registrar of Companies & Businesses,  
Singapore

At a (general) meeting of the \*members/creditors/directors of the abovenamed company duly convened and held at 17 KIAN TECK ROAD SINGAPORE 628771 .....  
..... on 21 DECEMBER 2001, the \*special/  
ordinary/Directors' resolution set out \*below/in the annexure marked with the letter "A" and signed by me for purposes of identification was \*duly passed/agreed-to.

(Set out resolution here if a copy thereof is not annexed).

PLEASE REFER TO ANNEXURE MARKED "A"

Name(s) of person(s) who signed \*this/these resolution(s)/minute(s) was/were:

LEE ZONG TANG

The designation of the person signing the resolution(s) in the abovenamed company is:

CHAIRMAN OF THE MEETING

Dated this 26TH day of DECEMBER ..... 2001

Signature: 

Name of \*Director/Secretary: LEE ZONG TANG

† Delete whichever references to sections are inapplicable.

\* Delete where inapplicable.

‡ Where a copy of the resolution is annexed, the annexure is to be endorsed as follows: "This is the annexure marked "A" referred to in the notice of resolution signed by me on the ..... day of ....."

Lodged in the office of the Registrar of Companies & Businesses by

Name: M. C. CASE, COLIN NG & PARTNERS

Address: 27 ROBINSON ROAD, SINGAPORE 048503

A/c No: 27 ROBINSON ROAD, SINGAPORE 048503

Tel: (65) 2253000 Fax: (65) 2253008

Fax No:

For Official Use

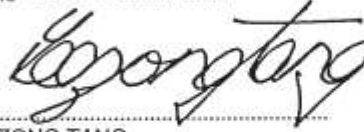
Date of Registration:

Receipt No:

Checked By:



This is the annexure marked "A" referred to in the notice of resolution signed by me on the 26 December 2001.



LEE ZONG TANG  
DIRECTOR

Name of Company : KYODO-ALLIED INDUSTRIES PTE LTD  
Company No. : 198402850E

**A. SPECIAL RESOLUTIONS**

**1. CONVERSION TO PUBLIC LIMITED COMPANY**

IT WAS RESOLVED THAT the Company be converted into a public limited company and that the Directors be authorised and directed to take all such steps as may be necessary or proper for effecting such conversion.

**2. CHANGE OF COMPANY'S NAME**

IT WAS RESOLVED THAT subject to the approval of the Registrar of Companies, the name of the Company be changed to KYODO-ALLIED INDUSTRIES LTD and that the name KYODO-ALLIED INDUSTRIES LTD be substituted for KYODO-ALLIED INDUSTRIES PTE LTD wherever the latter name appears in the Company's Memorandum and Articles of Association.

**3. NEW ARTICLES OF ASSOCIATION**

IT WAS RESOLVED THAT, subject to the approval of the Singapore Exchange Securities Trading Limited, the regulations contained in the typewritten document marked "A" submitted to the Meeting and for the purposes of identification subscribed by the Chairman be approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company.

**B. ORDINARY RESOLUTIONS**

**4. ISSUE OF SHARES**

IT WAS RESOLVED THAT pursuant to the provisions of Section 161 of the Companies Act, Cap. 50, but subject otherwise to the provisions of the Act and the Articles of Association of the Company, the Directors be and are hereby authorised to issue such shares in the Company at any time to such persons and upon such terms and conditions and with such rights or restrictions as they may think fit and that such authority shall continue in force until the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier.

5. **INCREASE IN AUTHORISED CAPITAL**

IT WAS RESOLVED THAT the authorised capital of the Company be increased from S\$2,000,000 divided into 2,000,000 ordinary shares of S\$1.00 each to S\$20,000,000 divided into 20,000,000 ordinary shares of S\$1.00 each, by the creation of an additional 18,000,000 shares of S\$1.00 each.

6. **BONUS ISSUE**

IT WAS RESOLVED as follows:-

- 6.1 THAT the issued and fully paid up capital of the Company be increased from S\$1,783,410 to S\$5,052,423 by capitalising the amount of S\$3,269,013 from the Company's retained earnings;
- 6.2 THAT the said sum of S\$3,269,013 be applied in making payment in full at par for 3,269,013 new ordinary shares of S\$1.00 each;
- 6.3 THAT such shares be distributed as fully paid to all the existing shareholders of the Company beneficially entitled thereto as nearly as practicable in proportion to their shareholdings in the Company, by way of an increase in capital and not income, in the following manner:-

<u>Shareholders</u>	<u>Number of Shares</u>
Lee Zong Tang	3,070,314.43
Loh Kah Ing	32,627.62
Choong Wei Siong	32,627.62
Tan Lay Ching	32,627.62
Takeyoshi Anzawa	100,815.69
	(do not add up to 3,269,013 due to rounding off)

- 6.4 THAT such new shares are to be treated for all purposes as an increase in the nominal amount of issued share capital of the Company and not as income and shall rank pari passu in all respects with and shall carry the same rights as the existing issued ordinary shares of the Company;
- 6.5 THAT the Directors be and are hereby authorised to give effect to the aforesaid bonus issue with full power to assent to any modification and/or amendment which they may deem fit or as may be required by any authority.

7. **SUBDIVISION OF SHARES**

IT WAS RESOLVED THAT the authorised share capital of S\$20,000,000 divided into 20,000,000 ordinary shares of S\$1.00 each in the capital of the Company, of which 5,052,423 ordinary shares have been issued and are fully paid, shall be subdivided into 400,000,000 ordinary shares of S\$0.05 each, of which 101,048,460 ordinary shares of S\$0.05 each will have been issued and fully paid.

8. **ISSUE OF SHARES**

IT WAS RESOLVED THAT pursuant to Section 161 of the Companies Act, Cap. 50, and upon the provisions of the new Articles of Association of the Company becoming effective and the approval of the Singapore Exchange Securities Trading Limited to the Listing being granted, the Directors be authorised with effect from the date of the Listing to allot and issue shares in the Company (whether by way of rights, bonus issue or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors shall in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to such authority shall not exceed 50 per cent, of the issued share capital of the Company immediately prior to the proposed issue and that the aggregate number of shares to be issued other than on a pro-rata basis to the then existing shareholders of the Company shall not exceed 20 per cent of the issued share capital of the Company immediately prior to the proposed issue, and, unless revoked or varied by the Company in general meeting, such authority shall continue in full force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

9. **ISSUE OF NEW SHARES IN CONNECTION WITH LISTING**

IT WAS RESOLVED THAT the Directors be authorised and directed:

- (a) to offer 18,000,000 new ordinary shares of S\$0.05 each to members of the public for subscription at such price and on such terms and conditions as the Directors may deem fit; and
- (b) pursuant to such offering to allot and issue such shares on such terms and conditions as the Directors may deem fit.

10. **LISTING**

IT WAS RESOLVED THAT the listing (the "Listing") and quotation of all the issued ordinary shares of the Company (including the 18,000,000 new shares to be allotted and issued pursuant to the Ordinary Resolution 9(a) set out above) on the Stock Exchange of Singapore Dealing and Automated Quotation System ("SGX-Sesdaq") be approved, AND THAT all actions taken or to be taken by the Directors to secure the same be approved, confirmed, ratified and authorised as the case may be.

11. **AUTHORITY TO COMPANY SECRETARY AND WHITE & CASE, COLIN NG & PARTNERS**

IT WAS RESOLVED THAT the Secretary Company Secretary or White & Case, Colin Ng & Partners, the Solicitors to the Listing, be and is hereby authorised and directed to lodge the relevant Forms with the Registrar of Companies in relation to any and all of the aforesaid and to update and/or amend the corporate records of the Company accordingly.

THE COMPANIES ACT, CAP. 50

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KYODO-ALLIED INDUSTRIES LTD

1. The name of the company is KYODO-ALLIED INDUSTRIES LTD
2. The registered office of the company will be situated in the Republic of Singapore.
3. The objects for which the Company is established are:-
  - (a)(i) To carry on the business of manufacturers, importers and exporters of metal grills, registers, diffusers, dampers, filters and clean room equipment and others related to ventilation and air-conditioning, and of other construction materials, parts, equipment and others including those of mechanical and electrical engineering works.
  - (ii) To carry on the business of retailers of electrical appliances, machinery and equipment.
  - (b) To carry on the business of building construction including air-conditioning, mechanical and electrical engineering works.
  - (c) To carry on the business as suppliers, traders, importers and exporters of iron and steel materials, decoratives, paints, oils, lubricants and others for industrial and commercial construction purposes.

Name.

Registered Office.

Objects.

Amended by  
Special Resolution  
passed on 22  
December 2015

(2)

Amended by  
Special Resolution  
passed on 22  
December 2015

- (d) To develop and turn to account any land acquired by or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building, and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement, and by advancing money to and entering into contract and arrangements of all kinds with builders, tenants and others.
- (e) To purchase or otherwise acquire for investment lands, houses, theatres, buildings, plantations, and immovable property of any description or any interest therein.
- (f) To purchase, establish and carry on business as general merchants, manufacturers, importers, exporters, commission agents, del credere agents, removers, packers, storers, storekeepers, factors and manufacturers of and dealers in foreign and local produce, manufactured goods, materials and general merchandise and to import, buy, prepare, manufacture, render marketable, sell, barter, exchange, pledge, charge, make advances on and otherwise deal in or turn to account, produce goods, materials and merchandise generally either in their prepared, manufactured or raw state and to undertake, carry on and execute all kinds of financial commercial trading and other manufacturing operations and all business whether wholesale or retail usually carried on by Eastern merchants.
- (g) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all works, plant, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this company is competent to carry on or required by any customers of or persons having dealings with the company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by-products incidental to or obtained in any of the businesses carried on by the company.
- (h) To purchase or otherwise acquire and hold and charter ships and vessels of all kinds.
- (i) To purchase take on lease or in exchange hire or otherwise acquire any real or personal property licences rights or privileges which the company may think necessary or convenient for the purposes of its business and to construct, maintain and alter any buildings or works necessary or convenient for the purposes of the company.
- (j) To purchase or otherwise acquire, issue, re-issue, sell, place, and deal in shares, stocks, bonds, debentures and securities of all kinds.
- (k) To apply for purchase or otherwise acquire any patents, brevets d'invention, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention or preparation which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property rights or information so acquired.
- (l) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, ship building yards, shops, stores, factories, building works, plant and machinery necessary or convenient for the company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above.
- (m) To borrow or raise or secure the payment of money for the purposes of or in connection with the company's business, and for the purposes of or in connection with the borrowing or raising of money by the company to become a member of any building society.

(3)

- (n) To mortgage and charge the undertaking of all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the company by a trust deed or other assurance.
- (o) To issue and deposit any securities which the company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the company or of its customers or other persons or corporations having dealings with the Company, or in whose business or undertakings the company is interested, whether directly or indirectly.
- (p) To guarantee the obligations and contracts of customers and others.
- (q) To make advances to customers and others with or without security, and upon such terms as the Company may approve.
- (r) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the company or its predecessors in business or the dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to provide pensions or other benefits for any such persons as aforesaid, their dependants or connections, and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the directors, be calculated directly or indirectly to benefit the company or its employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of company or its officers or employees.
- (s) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
- (t) To invest and deal with the moneys of the company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (u) To pay for any property or rights acquired by the company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the company has power to issue, or partly in one mode and partly in another, and generally on such terms as the company may determine.
- (v) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages, or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (w) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interests or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.

(4)

- (x) To make donations for patriotic or for charitable purposes.
- (y) To transact any lawful business in aid of the Republic of Singapore in the prosecution of any war in which the Republic of Singapore is engaged.
- (z) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this company, and to acquire and hold or dispose of shares, stocks or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company
- (aa) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this company is authorised to carry on.
- (bb) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the company for such consideration as the company may think fit.
- (cc) To amalgamate with any other company whose objects are or include objects similar to those of this company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (dd) To distribute among the members in specie any property of the company, or any proceeds of sale or disposal of any property of the company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law
- (ee) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- (ff) To do all such things as are incidental or conducive to the above objects or any of them.

Amended by Special Resolution passed on 22 December 2015

AND IT IS HEREBY declared that the word "company", save when used in reference to this company in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in Singapore or elsewhere. None of the sub-clauses of this clause or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, the intention being that the objects specified in each sub-clause of this clause shall, except where otherwise expressed in such clause, be independent main objects and shall be in no wise limited or restricted by reference to or interference from the terms of any other sub-clause or the name of the company, but the company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business undertaking, property or act proposed to be transacted, acquired, dealt with or performed does not fall within the objects of the first sub-clause of this clause.

4. The liability of the members is limited

5. The share capital of the company is S\$20,000,000/- divided into 400,000,000 shares of S\$0.05 each. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

Amended by Special Resolution passed on 22 December 2015

We, the several persons whose names, addresses and descriptions are hereunto subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite to our respective names,

Names, Addresses and Descriptions of Subscribers	Numbers of shares taken by each Subscriber
<p>LEE HAN FUI 38 GOLDHILL AVENUE GOLDHILL TOWER #12-42 SINGAPORE 1130  COMPANY DIRECTOR</p>	ONE
<p>CHUNG SHIH DAH 24 RIVER VALLEY CLOSE #16-26 SINGAPORE 0923  COMPANY DIRECTOR</p>	ONE
Total number of shares taken	TWO

Dated this 28 day of June, 1984

Witness to the above signatures:

DIONG TAI PEW  
APPROVED COMPANY AUDITOR  
230 JALAN BESAR, #04-02,  
HONG LEONG FINANCE BUILDING,  
SINGAPORE 0820



THE COMPANIES ACT, (CAP. 50)

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

KYODO-ALLIED INDUSTRIES LTD

Adopted by Special Resolution passed at an Extraordinary General Meeting held on the 21<sup>st</sup> day of December 2001.

TABLE "A" EXCLUDED

1. The regulations in Table A in the Fourth Schedule to the Companies Act, Cap. 50 shall not apply to the Company, except so far as the same are repeated or contained in these Articles. Table "A" excluded.

INTERPRETATION

- 2(1). In these Articles, unless the subject or context otherwise requires, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:- Interpretation.

WORDS	MEANINGS
Act	The Companies Act, Cap. 50, or any statutory modification or re-enactment thereof for the time being in force.
Articles	These articles of association as originally framed or as altered from time to time by Special Resolution.
Company	The abovenamed Company by whatever name from time to time called.
Cut-Off Time	Forty-eight hours before the time of the relevant General Meeting.
Directors	The directors for the time being of the Company.
Dividend	Includes bonus.
Exchange	The Singapore Exchange Securities Trading Limited and any other share, stock or securities exchange upon which the shares of the Company may be listed.
Office	The registered office for the time being of the Company.

Ordinary Resolution	A resolution passed by a simple majority of the Members present and voting.
Market Day	A day on which the Exchange is open for trading in securities.
Member	A Member of the Company.
Register	The Register of Members to be kept pursuant to Section 190 of the Act.
Seal	The common seal of the Company.
Secretary	Any person appointed to perform the duties of Secretary of the Company and includes any person appointed to perform the duties of Secretary temporarily.
Singapore Dollar(s)	The lawful currency of the Republic of Singapore.
Special Resolution	A resolution having the meaning assigned thereto by Section 184 of the Act.
Statutes	The Act and every other statute for the time being in force concerning companies and affecting the Company.
2(2).	The words "Depositor", "Depository", "Depository Agent" and "Depository Register" shall have the meanings respectively as used in these Articles ascribed to them in the Act.
2(3).	References in these Articles to "holders" of shares or any class of shares shall:- <ul style="list-style-type: none"> <li>(a) exclude the Depository except where otherwise expressly provided for in these Articles or where the terms "registered holder" or "registered holders" are used in these Articles; and</li> <li>(b) where the subject and context so require, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of such shares;</li> </ul> and the words "holding" and "held" shall be construed accordingly.
2(4).	Writing shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.
2(5).	Words importing the singular number only shall include the plural number, and vice versa.
2(6).	Words importing the masculine gender only shall include the feminine gender.
2(7).	Words importing persons shall include corporations.
2(8).	Subject as aforesaid, any words or expressions used in the Act shall, except where inconsistent with the subject or context, bear the same meaning in these Articles.

### COMMENCEMENT OF BUSINESS

3. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.
4. The Office shall be at such place as the Directors shall from time to time decide.

Directors may undertake any business.

Registered Office.

### SHARES

5. Subject to the Statutes, no shares may be issued without the prior approval of the Company in General Meeting but subject thereto and to these Articles relating to new shares and to any special right attached to any share for the time being issued, the Directors may allot (with or without conferring any right of renunciation), grant options over or otherwise dispose of the same to such persons on such terms and conditions (including such consideration) and at a premium or otherwise and at such time as the Directors determine Provided Always that:-
- (a) no shares may be issued at a discount except in accordance with the Statutes; and
- (b) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same.
- 6(1). The Company in General Meeting may by Ordinary Resolution authorise the Directors to exercise any power of the Company to issue shares, such authority being confined to a particular exercise of that power or generally. Any such authority may be unconditional or subject to conditions and shall continue in force until the conclusion of the Annual General Meeting commencing next after the date on which the approval was given or the expiration of the period within which the next Annual General Meeting after that date is required by law to be held whichever is the earlier but may be previously revoked or varied by the Company in General Meeting Provided Always that no shares may be issued to transfer a controlling interest without prior approval of the Company in General Meeting.
- 6(2). Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by the Exchange) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register as the holder thereof or before such share is entered against the name of a Depositor in the Depository Register, as the case may be, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of such share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit.

Shares under control of Company in General Meeting.

Authority of Directors to issue shares.

7. Any share in the Company may be issued with such preferred, qualified, deferred or other special rights, privileges and conditions or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the Statutes, the Company may issue preference shares which are or, at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by Ordinary Resolution determine Provided Always that the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares for the time being.
8. The Company shall have the power to issue further preference capital ranking equally with or in priority to the preference capital then already issued.
9. Subject to the provisions of the Statutes, all or any of the special rights or privileges for the time being attached to any preference share for the time being issued may from time to time (whether or not the Company is being wound up) be modified, affected, altered or abrogated and preference capital other than redeemable preference shares may be repaid if authorised by a Special Resolution passed by holders of such preference shares at a special meeting called for the purpose. To any such special meeting, all provisions of these Articles as to General Meetings of the Company shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one third of the issued preference shares concerned and that every holder of the preference shares concerned shall be entitled on a poll to one vote for every such share held by him and that any holder of the preference shares concerned present either in person or by proxy may demand a poll Provided Always that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from holders of three-fourths of the preference shares concerned within two months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting.
10. Preference shareholders shall have the same rights as ordinary Members as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital of the Company or winding up or sanctioning the sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.
11. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the holder for the time being of the share or his legal personal representative.
12. The Company may pay a commission to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, for any share in the capital of the Company but such commission shall not exceed ten per cent of the price at which the shares are issued or an amount equivalent thereof. Any such commission may be paid in whole or in part in cash or fully or partly paid shares of the Company at par as may be arranged, and the Company may, in addition to, or in lieu of, such commission, in consideration of any person so subscribing or agreeing to subscribe, or of his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any share in the Company, confer on any such person an option call within a specified time for a specified number or amount of shares in the Company at a specified price not being less than par. The payment or agreement to pay a commission or the conferring of an option shall be in the discretion of the Directors on behalf of the Company. The

Company may issue shares with preferred, qualified, deferred and other special rights.

Issue of further preference shares.

Alteration of rights of preference shareholders.

Rights of preference shareholders.

Instalments of shares.

Commission for subscribing.

requirements of the Statutes shall be observed, so far as applicable.

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| 13(1). | The Company shall not be bound to register more than three persons as the joint holders of any share except in the case of executors, administrators or trustees of the estate of a deceased Member.   | Joint holders.                           |
| 13(2). | Subject to Article 13(1), any two or more persons may be registered as joint holders of any share and the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls and interest (if any) due in respect of such share.   |  |
| 13(3). | The joint holder first named in the Register or the Depository Register, as the case may be, shall as regards voting, proxy, service of notices and delivery of certificates and dividend warrants, be deemed to be the sole owner of such share.  |  |
| 14.    | No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share other than an absolute right to the entirety thereof in the person (other than the depository) entered in the Register as the registered holder or in the person whose name is entered in the Depository Register in respect of that share, as the case may be, except only where these Articles otherwise provide or as required by the Statutes or pursuant to any order of Court. | No trusts recognised.                    |
| 15.    | No person shall exercise any rights of a Member in respect of a share until his name shall have been entered in the Register as the registered holder thereof or in the Depository Register in respect of such share, as the case may be, and, unless the Directors otherwise determine, such person shall have paid all calls and other moneys for the time being due and payable on any share held by him.   | Exercise of rights of Members.           |
| 16.    | No part of the funds of the Company shall be employed by the Directors or the Company in the acquisition of shares in the Company or in lending on the security of shares in the Company unless permitted by the Statutes.   | Company not to deal with its own shares. |

#### SHARE CERTIFICATE

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| 17. | Every certificate for shares shall be under the Seal.  | Authentication of certificates.                              |
| 18. | Every certificate of shares shall specify the distinctive numbers of the shares in respect of which it is issued, and the amount paid up thereon. No share certificate shall be issued representing shares of more than one class.   | Certificates shall specify number of shares.                 |
| 19. | Every person whose name is entered as a registered holder in the Register shall be entitled without payment to receive within ten Market Days (or such other period as may be approved by the Exchange) after the closing date for applications to subscribe for a new issue of shares and within fifteen Market Days (or such other period as may be approved by the Exchange) after lodgement of a registrable transfer one certificate under the Seal in respect of each class of shares held by him for all his shares in that class or several certificates in reasonable denominations each for one or more of his shares in any one class subject to such person's prior payment of two Singapore Dollars (or such other sum as the Directors shall from time to time determine having regard to any limitation thereof as the Exchange may prescribe) for every certificate after the first and such stamp duty as is payable on such certificate unless otherwise directed by the Directors Provided Always that in the case of joint registered holders, the Company shall not be bound to issue more than one certificate and delivery of such certificate to any one of them shall be sufficient delivery to all such holders. | Member's right to certificate & cancellation of certificates |

- 20(1). Where only some of the shares comprised in any share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance of such shares shall be issued in lieu thereof without charge. Issue of replacement certificates.
- 20(2). Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register may be cancelled at his request and a single new certificate for such shares issued in lieu thereof without charge.
- 20(3). Any share certificate representing shares of any class held by any person whose name is entered in the Register may be surrendered by such person for cancellation and at his request the Company may issue in lieu thereof two or more share certificates representing such shares in such proportions as such person may specify, and the Directors may comply with such request if they think fit. Such person shall pay a maximum of two Singapore Dollars for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine, taking into consideration any limitation thereof as may be prescribed by the Exchange.
- 20(4). Subject to the Statutes, if any share certificate shall be defaced, worn out, destroyed, stolen or lost, it may be renewed on such evidence being produced and a letter of indemnity or undertaking (if required) being given by the purchaser, registered holder, transferee, person entitled or Member company of the Exchange or on its behalf or their client or clients as the Directors shall require and in the case of defacement or wearing out on delivery up of the old certificate and in any case on payment of such sum not exceeding one Singapore Dollar as the Directors may from time to time require (or such other amount as may be permitted under the Statutes). In the case of theft, destruction or loss the registered holder or the person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such theft, destruction or loss.
- 20(5). Where shares are registered jointly in the names of several persons, any such request may be made by any one of the registered joint holders.
21. The certificates of shares registered in the names of two or more persons may be delivered to the joint holder first named in the Register. Delivery of share certificates.

#### LIEN ON SHARES

22. The Company shall have a first and paramount lien on every share (not being a fully-paid share) and all dividends or interests from time to time declared in respect thereof for all moneys (whether presently payable or not) called or payable at a fixed time, in respect of that share and for all moneys which the Company may be called upon by law to pay in respect of the shares of the Member or the deceased Member. The Directors may however waive any lien which has arisen and may resolve that any share shall for any limited period be exempt wholly or partially from the provisions of this Article 22. Company's lien on shares.
23. For the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, and no sale shall be made until such time as the moneys are presently payable, and until a notice in writing stating the amount due and demanding payment, and giving notice of intention to sell in default, shall have been served in such a manner as the Directors shall think fit on the holder for the time being of the share or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for seven days after such notice. Right to enforce lien by sale.
24. The net proceeds of any such sale shall be applied in or towards the satisfaction of the amount due, and the residue (if any) shall be paid to the person whose share has been sold, his executors, administrators, trustees or assignees or as he shall Application of proceeds of sale.

direct.

25. To give effect to any such sale the Directors may authorise some person to transfer or to effect the transfer, as the case may be of the shares sold to the purchaser. How sale to be effected.

#### CALLS ON SHARES

26. The Directors may from time to time make calls upon the Members in respect of any money unpaid on their shares or on any class of shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, and each Member shall (subject to his having been given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be made payable by instalments. A call may be revoked or postponed as the Directors may determine. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. Powers of Directors to make calls.
27. The joint holders of a share shall be jointly and severally liable to pay all calls and interest (if any) in respect thereof. Joint and several liability.
28. If before or on the day appointed for payment thereof a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at the rate of eight per cent per annum from the day appointed for payment thereof to the time of actual payment, but the Directors shall have power to waive payment of such interest or any part thereof. Interest on unpaid calls.
29. Any sum which by the terms of allotment of a share is made payable upon issue or at any fixed date whether on account of the nominal value of the share or by way of premium and any instalment of a call shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the other relevant provisions of these Articles or the Statutes shall apply as if such sum were a call duly made and notified as hereby provided. Sums payable under terms of allotment to be deemed calls.
30. The Directors may from time to time make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls. Difference in calls between various holders.
31. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any share held by him, and upon all or any part of the moneys so advanced may (until the same would, but for the advance, become payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) eight per cent per annum as may be agreed upon between the Directors and the Member paying the sum in advance. Capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits. Payment of call in advance.

#### FORFEITURE OF SHARES

32. If any Member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment of the same or any interest thereon, the Directors may at any time thereafter during such time as the call or instalment or interest remains unpaid serve a notice on such Member requiring him to pay the same, together with any interest (including interest upon interest) and expenses that may have been incurred by the Company by reason of such non-payment. Notice to be given of intended forfeiture.
33. The notice shall name a further day (not being less than fourteen days from the date of service of the notice) and a place on and at which such call or instalment and Form of notice.

such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment or interest is payable shall be liable to be forfeited.

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| 34.    | If the requirements of any notice as aforesaid are not complied with, any share in respect of which the notice has been given, may at any time thereafter, before payment of all such calls or instalments, interests and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.   | If notice no complied with shares may be forfeited.                    |
| 35.    | Any share so forfeited or surrendered shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed.  | Sale etc of forfeited and surrendered shares.                          |
| 36.    | The Directors may at any time before any share so forfeited or surrendered shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender thereof upon such conditions as they think fit.  | Power to annul forfeiture.   |
| 37.    | For the purpose of giving effect to any sale of forfeited or surrendered shares, the Directors may authorise some person to transfer or to effect the transfer of, as the case may be, the shares sold to the purchaser.  | Transfer of forfeited or surrendered shares                            |
| 38.    | Any Member whose shares shall have been forfeited or surrendered shall cease to be a Member in respect of the forfeited or surrendered shares but shall, notwithstanding such forfeiture or surrender, be liable to pay, and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until payment, at the rate of eight per cent per annum and the Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do. Any residue after the satisfaction of the unpaid calls, accrued interest and expenses shall be paid to the person whose shares have been forfeited or surrendered, his executors, administrators, trustees or assignees or as he shall direct. | Liability on forfeited share.  |
| 39(1). | A statutory declaration in writing that the declarant is a Director or the Secretary, and that a share has been duly forfeited, surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt by the Company of the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate, where the same be required, delivered to a purchaser or (where the purchaser is a Depositor) to the Depository or the allottee thereof, as the case may be, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share.  | Declaration by Director or Secretary conclusive of fact of forfeiture. |
| 39(2). | (a) In the event of such sale, re-allotment or disposal, where the person (the "Relevant Person") to whom the share is sold, re-allotted or disposed of is not a Depositor, the share shall be registered in the Register in the name of the Relevant Person and, where the Relevant Person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of.  |  |
|        | (b) The Relevant Person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture,   |  |



surrender, sale, re-allotment or disposal of the share.

#### TRANSFER OF SHARES

40. Save as provided by these Articles, there shall be no restriction on the transfer of fully paid shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange). All transfers of shares may be effected by way of book-entry in the Depository Register Provided Always that the legal title in the shares may be transferred by the registered holders thereof by an instrument of transfer in the form approved by the Directors and the Exchange. The instrument of transfer shall be left at the Office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain the registered holder of the shares until the name of the transferee is entered in the Register in respect thereof.
41. The instrument of transfer shall be signed both by the transferor and by the transferee, and it shall be witnessed Provided Always that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository.
42. Shares of different classes shall not be comprised in the same instrument of transfer.
43. No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- 44(1). All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same.
- 44(2). The Company shall be entitled to destroy:-
- (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof;
  - (b) all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof; and
  - (c) all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof.
- 44(3). It shall be conclusively presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and that:
- (a) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
  - (b) every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
  - (c) every other document hereinbefore mentioned so destroyed was a valid and effective document;

in accordance with the recorded particulars thereof in the books or records of the

- Company.
- 44(4). Articles 44(2) and 44(3) shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant.
- 44(5). Nothing contained in this Article 44 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstance which would not attach to the Company in the absence of this Article 44, and references in this Article 44 to the destruction of any document include references to the disposal thereof in any manner.
45. The Directors may decline to accept any instrument of transfer unless:-
- Fees relating to transfers.
- (a) all or any part of the stamp duty (if any) payable on each share transfer and such fee not exceeding two Singapore Dollars for each transfer or such other sum as may from time to time be prescribed by the Exchange is paid to the Company; and
- (b) such fee not exceeding two Singapore Dollars as the Directors may from time to time determine is paid to the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney or any document relating to or affecting the title to the shares.
46. The Directors may refuse to register the transfer of shares or allow the entry of or against a person's name in the Depository Register in respect of shares transferred or to be transferred to such person:-
- Power of Directors to refuse to register.
- (a) which are not fully paid up; or
- (b) on which the Company has a lien.
47. If the Directors refuse to register any transfer of any share they shall, where required by the Statutes, serve on the transferor and transferee, within one month beginning with the day on which the transfer was lodged with the Company, a notice in writing informing each of them of such refusal and of the facts which are considered to justify the refusal.
- Notice of refusal to be sent by Company.
48. The Register may be closed at such times and for such periods as the Directors may from time to time determine Provided Always that the Register shall not be closed for more than thirty days in any year Provided Always that the Company shall give prior notice of such closure as may be required to the Exchange stating the period and purpose or purposes for which such closure is to be made.
- Closure of the Register.

#### TRANSMISSION OF SHARES

- 49(1). In the case of the death of a Member the survivor where the deceased was a joint holder, and the legal personal representative of the deceased who was a sole or only surviving holder, or where such legal representative is entered in the Depository Register in respect of the shares of the deceased Member who was a Depositor, shall be the only person recognised by the Company as having any title to his shares.
- Transmission of registered shares.
- 49(2). Nothing herein contained shall release the estate of a deceased Member from any liability in respect of any share solely or jointly held by him.

50. Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register may upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the share, upon giving to the Company notice in writing of such intent, or to make such transfer thereof as such deceased or bankrupt person could have made, but the Directors shall in either case have the same right to refuse or suspend registration as they would have had in the case of such transfer by such deceased or bankrupt person before the death or bankruptcy, as the case may be.
- Rights of registration and transfer upon demise or bankruptcy of Member.
51. Save as otherwise provided in these Articles, a person becoming entitled to a share pursuant to Articles 49(1) and 50, shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall have no right to receive notice or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a Member until he shall have been registered as a Member in the Register or his name shall have been entered in the Depository Register, as the case may be. Provided Always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or transfer the share, and if the notice is not complied with within ninety days of the date of such notice, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- Person registered under transmission clause entitled to dividends.

#### PURCHASE OF OWN SHARES

52. Subject to and in accordance with the provisions of the Act, the Company may purchase or otherwise acquire ordinary shares issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. All shares repurchased by the Company shall be cancelled.
- Company may purchase its own shares

## STOCK

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| 53. | The Company in General Meeting may by Ordinary Resolution convert any paid-up shares into stock and may from time to time reconvert such stock into paid-up shares of any denomination.  | Conversion of shares to stock.              |
| 54. | When any shares have been converted into stock the several holders of such stock may transfer their respective interests therein or any part of such interests in such manner as the Company in General Meeting shall direct, but in default of any direction then in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances will admit. But the Directors may if they think fit from time to time fix the minimum amount of stock transferable Provided Always that such minimum shall not exceed the nominal amount of the shares from which the stock arose.  | Stockholders entitled to transfer interest. |
| 55. | The several holders of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same rights, privileges and advantages for the purposes of voting at meetings of the Company and for other purposes as if they held the shares from which the stock arose, but so that none of such rights, privileges or advantages, except the participation in the dividends, profits and assets of the Company, shall be conferred by any such aliquot part of consolidated stock as would not, if existing in shares, have conferred such rights, privileges or advantages. | Stockholders entitled to profits.           |
| 56. | All such provisions of these Articles as are applicable to paid up shares shall apply to stock and in all such provisions the words "shares" shall include "stock", and "Depositor", "Member" and "shareholder" shall include "stockholder".   | Definitions.                                |

## INCREASE OF CAPITAL

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| 57.    | The Company in General Meeting may from time to time by Ordinary Resolution, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued have been fully paid up or not, increase its capital by the creation and issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company by the resolution authorising such increase shall direct.   | Power to increase capital.      |
| 58(1). | Unless otherwise determined by the Company in General Meeting or except as permitted under the Exchange's listing rules, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings, in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled.   | Issue of new shares to Members. |
| 58(2). | The offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the | Notice of issue.                |

opinion of the Directors, be conveniently offered in the manner hereinbefore provided.

59. Subject to any directions that may be given in accordance with the powers contained in the Memorandum of Association or these Articles, any capital raised by creation of new shares shall be considered as part of the original capital and all new shares shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if it had been part of the original capital.
- New capital considered part of original capital.

#### ALTERATION OF CAPITAL

- 60(1). The Company may by Ordinary Resolution:-
- Alteration of capital.
- (a) consolidate and divide its capital into shares of larger amount than its existing shares; or
  - (b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; or
  - (c) by subdivision of its existing shares or any of them divide its capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association. The resolution by which the subdivision is effected may determine that, as between the holders of the resulting shares, one or more of such shares may have any such preferred, deferred or other special rights or be subject to any restriction as the Company has power to attach to unissued or new shares; or
  - (d) subject to the Statutes, convert any class of shares into any other class of shares.
- 60(2). The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with and subject to any requirement authorised and consent required by law.

#### MODIFICATION OF CLASS RIGHTS

61. Subject to the Statutes and save as provided by these Articles, all or any of the special rights or privileges attached to any class of shares in the capital of the Company for the time being issued may, at any time, as well before as during liquidation, be modified, affected, altered or abrogated, either with the consent in writing of the holders of not less than three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting, but so that the quorum thereof shall be not less than two persons personally present and holding or representing by proxy one-third of issued shares of the class, and that any holder of shares of the class, present in person or by proxy, shall on a poll be entitled to one vote for each share of the class held or represented by him, and if at any adjourned meeting of such holders such quorum as aforesaid is not present, any two holders of shares of the class who are personally present shall be a quorum. The Directors shall comply with the provisions of Section 186 of the Act as to forwarding a copy of any such consent or Resolution to the Registrar of Companies.
- Modification of class rights.

#### BORROWING POWERS

62. The Directors may, from time to time, exercise all the powers of the Company to raise or borrow or secure the payment of any sum or sums of moneys for the
- Powers to borrow.

purposes of the Company.

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| 63. | The Directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and, in particular, by the issue of debentures or debenture stock of the Company, perpetual or otherwise, charged upon or by mortgage charge or lien of and on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by making, accepting, endorsing or executing any cheque, promissory note or bill of exchange. | Conditions of borrowing.                      |
| 64. | Every debenture or other instrument for securing the payment of money may be made assignable and free from any equity between the Company and the person to whom the same may be issued. Any debenture or debenture-stock, bond or other instrument may be issued at a discount, premium or otherwise and with any special privilege as to redemption, surrender, drawing, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.   | Securities assignable and free from equities. |
| 65. | The Directors shall cause a proper register to be kept, in accordance with Section 138 of the Act, of all mortgages and charges specifically affecting the property of the Company and shall comply with the provisions of Section 131 of the Act.   | Register of mortgages.                        |

#### GENERAL MEETINGS

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| 66. | In addition to any other meetings, a General Meeting shall be held once at least in every calendar year, at such time and place as may be determined by the Directors, but so that no more than fifteen months shall be allowed to elapse between any two such General Meetings.   | General Meetings.   |
| 67. | The abovementioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary General Meetings.  | Annual General Meetings.  |
| 68. | The First Annual General Meeting of the Company shall be held at such time within a period of not more than eighteen months from the date of incorporation of the Company and at such time and place as the Directors may determine.   | First Annual General Meeting.   |
| 69. | The Directors may call an Extraordinary General Meeting of the Company whenever they think fit in accordance with the Statutes.  | Directors may call Extraordinary General Meetings.                    |
| 70. | The Directors shall, on the requisition of the holders of not less than one-tenth of the issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company, and in the case of such requisition the following provisions shall have effect:-  | Extraordinary General Meetings called on requisition of shareholders. |
| (a) | The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office, and may consist of several documents in like form each signed by one or more requisitionists.   |   |
| (b) | If the Directors of the Company do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists or any of them representing more than one-half of the voting rights of all of them may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit. |   |

- (c) In the case of a meeting at which a resolution is to be proposed as a Special Resolution the Directors shall be deemed not to have duly convened the meeting if they do not give such notice as is required by the Statutes.
- (d) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.

71. Subject to the Statutes relating to the convening of meetings to pass Special Resolutions and agreements for shorter notice, at least fourteen clear days' notice in writing specifying the place, day and hour of the meeting, and in case of special business, a notice in writing setting out the general nature of such special business, accompanied by a statement regarding the effect of any proposed resolution in respect of such special business, shall be given to all Members and the Exchange other than such as are not entitled under these Articles to receive such notices from the Company. Every such notice shall be published in at least one English Language daily newspaper circulating in Singapore at least fourteen clear days before the meeting. Whenever any meeting is adjourned for fourteen days or more, at least seven days' notice in writing of the place and hour of such adjourned meeting shall be given in like manner. Provided Always that when a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Notice of meeting.
72. Any Member entitled to be present and vote at a meeting or his proxy may submit any resolution to any General Meeting, provided that at least for the prescribed time before the day appointed for the meeting he shall have served upon the Company a notice in writing by him containing the proposed resolution, and stating his intention to submit the same. The prescribed time abovementioned shall be such that, between the date that the notice is served and the day appointed for the meeting, there shall be not less than three nor more than fourteen intervening days. Members may submit resolution to meeting on giving notice to Company.
73. Upon receipt of any such notice as in the last preceding Article mentioned, the Secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of the meeting is issued, and shall in any other case issue as quickly as possible to the Members notice that such resolution will be proposed. Secretary to give notice to Members.
74. The accidental omission to give any notice to or non-receipt of any notice by any Member shall not invalidate the meeting or any resolution passed or proceedings at any such meeting. Accidental omission to give notice.

#### PROCEEDINGS AT GENERAL MEETINGS

75. All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditors, the fixing of the remuneration of Directors, the election of Directors in the place of those retiring, the declaration of dividends and the appointment of and the fixing of the remuneration of the Auditors. Special business.
76. Save as is herein otherwise provided, two Members present in person or by proxy shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum is present at the commencement of the business. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Article 91. Quorum.

77. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place. At the adjourned meeting, any two or more Members present in person or by proxy shall be a quorum.
- If quorum not present.
78. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Members present shall choose some Director or, if no Director be present or if all the Directors present decline to take the chair, one of themselves to be Chairman of the meeting.
- Chairman.
79. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- Adjournment
80. At every General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands by the Members present in person and entitled to vote, unless before or upon the declaration of the result of the show of hands a poll be demanded by:-
- How matters are to be decided.
- (a) the Chairman of the meeting; or
- (b) not less than two Members present in person or by proxy and entitled to vote; or
- (c) a Member or Members present in person or by proxy, holding or representing, as the case may be:-
- (i) not less than one-tenth of the total voting rights of all Members entitled to vote at the meeting; or
- (ii) shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- 81(1). If a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- Chairman's direction as to poll.
- 81(2). No poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs.
82. Unless a poll be so demanded, a declaration by the Chairman of the meeting that a resolution has been carried, or has been carried by a particular majority, or lost, or not carried by a particular majority shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- Declaration of Chairman conclusive.
- 83(1). No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting, as the case may be, at which the vote objected to is or may be given, tendered or cast, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
- Objection to admissibility.



- 83(2). If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and unless in the opinion of the Chairman at the meeting or at any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.
84. In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, as the case may be, shall have a second or casting vote. In the event of equality of votes.

#### VOTES OF MEMBERS

- 85(1). Subject to and without prejudice to any special privileges or restriction as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company:- Voting rights.
- (a) every Member who is present in person or by proxy shall have one vote on a show of hands, the Chairman to decide which proxy shall be entitled to vote where a Member is represented by two proxies; and
- (b) every Member who is present in person or by proxy, in case of a poll, shall have one vote for every share which he holds or represents and upon which all calls or other sums due thereon to the Company have been paid.
- 85(2). For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting upon a poll being called, the number of shares held or represented shall, in relation to the shares of that Depositor, be the number of shares entered against his name in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company.
86. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register or the Depository Register, as the case may be. Right of joint holders.
87. Unless the Directors otherwise determine, no person other than a Member who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to be present or to vote on any question either personally or by proxy at any General Meeting. Members only entitled to vote upon full payment.
88. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by the committee, curator bonis, or other person in the nature of committee or curator bonis appointed by that Court, and any such committee, curator bonis, or other person may, on a poll, vote by proxy. Votes of Members of unsound mind.
89. On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Vote personal or by proxy.
- 90(1). A proxy need not be a Member. Proxies.
- 90(2). A Member shall not be entitled to appoint more than two proxies to attend and vote at the same General Meeting Provided Always that where the Member is a Depositor, the Company shall be entitled and bound:-

- (a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company;
- (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company, whether that number be greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor; and
- (c) in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.
- 90(3). In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
91. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meetings of the Company or any class of Members of the Company, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder.
92. An instrument appointing a proxy shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and:-
- (1) in the case of an individual shall be signed by the appointor or his attorney;
- (2) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
93. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or the power of attorney or other authority, if any, or a duly certified copy thereof shall (failing previous registration with the Company) if required by law, be duly stamped and be deposited at the Office, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
94. The signature on an instrument of proxy need not be witnessed.
95. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given Provided Always that no notice in writing of the death or revocation or transfer shall have been received at the Office one hour at least before the time fixed for holding the meeting.

Corporation may appoint representative.

Execution of instrument of proxy on behalf of appointor.

Lodgement of instrument appointing proxy.

No witness needed for instrument of proxy.

When vote by proxy valid though authority revoked.

96. An instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll and to speak at the meeting. Instrument deemed to confer authority.
97. Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable. Voting in respect of shares of different monetary denominations.

#### DIRECTORS

98. Until otherwise determined by a Special Resolution at a General Meeting, the number of Directors shall not be less than two or more than twenty. All the Directors of the Company shall be natural persons. Number of Directors.
99. The first Directors of the Company were **LEE HAN FUI** and **CHUNG SHIH DAH**. First Directors.
100. A Director shall not be required to hold any share in the Company. No share qualification.
- 101(1). Any Director may at any time and from time to time appoint any other person approved by a majority of the Directors for the time being to be his alternate. An alternate Director shall be entitled (subject to his giving to the Company an address within the Republic of Singapore at which notices may be served on him) to receive notice of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not present, and generally at such meeting to exercise all the powers, rights, duties and authorities of the Director appointing him. Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him. All the appointments and removals of alternate Directors made by any Director in pursuance of this Article, shall be in writing under the hand of the Director making the same and shall be sent to or left at the Office. A Director may not act as an alternate for another Director. A person may not act as an alternate Director for more than one Director of the Company. Alternate Director.
- 101(2). An alternate Director may be removed by his appointor and the appointor (subject to the approval of the Directors) may appoint another in his place. An alternate Director may be removed from office by a resolution of the Directors, but he shall be entitled to vote on such resolution and he shall, ipso facto, cease to be an alternate Director if his appointor ceases for any reason to be a Director. The appointment of an alternate Director shall also determine on the happening of any event which, if he were a Director, would cause him to vacate such office.
- 101(3). An alternate Director shall be entitled to contract and be interested in and benefit from contracts, arrangements or transactions to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company any remuneration in respect of his appointment as alternate Director except only such part (if any) of the remuneration otherwise payable to his appointor in which event any fee paid by the Company to an alternate Director shall be deducted from the fees of the Director appointing the alternate.
- 102(1). The Directors shall be entitled to receive by way of fees for their services as Directors in each year such sum as shall from time to time, subject to Section 169 of the Act, be determined by the Company by resolution passed at a General Meeting, the notice of which shall specify the proposals concerning the Remuneration.

same. Such remuneration shall be divided amongst the Directors as they shall determine or falling agreement equally.

- 102(2). The fees payable to the Directors shall not be increased except pursuant to a resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the Meeting.
- 102(3). The remuneration of a non-executive Director shall be by a fixed sum and not by a commission on or percentage of profits or turnover. The remuneration of an executive Director may not include a commission on or a percentage of turnover.
- 102(4). The provisions of this Article are without prejudice to the power of the Directors to appoint any of their number to be employee or agent of the Company at such remuneration and upon such terms as they think fit without the approval of the Members in General Meeting provided that such remuneration may include a commission on or percentage of profits but not a commission on or percentage of turnover.
- 102(5). Subject to the provisions of the Statutes, the Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pensions or other benefits to contribute to any scheme of fund to pay premiums.
103. If any Director, being willing and having been called upon to do so, shall hold an executive office in the Company, shall render or perform extra or special services of any kind, including services on any committee established by the Directors, or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such sum as the Directors may think fit for expenses, and also such remuneration as the Directors may think fit, either as a fixed sum or as provided in Article 102(3) (but not by way of commission on or percentage of turnover) and such remuneration may, as the Directors shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company.

Directors to be reimbursed and remunerated for special services rendered.

104(1). The office of a Director shall be vacant if the Director:-

- (a) ceases to be a Director by virtue of the Statutes; or
- (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) is or becomes prohibited from being a Director by reason of any order made under the Statutes; or
- (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under any law relating to mental disorder; or
- (e) resigns his office by notice in writing to the Company; or
- (f) for more than six months is absent without permission of the Directors from meetings of the Directors held during that period and his alternate Director (if any) shall not during such period have attended in his stead; or
- (g) is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of his interest in manner required by the Statutes; or

When office of Director to be vacated.

- (h) if he is removed from office pursuant to the Statutes.
- 104(2). The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Director shall automatically terminate if he ceases to be a Director but without prejudice to any claim for any damage or breach of any contract of service between him and the Company.
- 104(3). The appointment of any Director to any other executive office shall automatically terminate if he ceases from any cause to be a Director only if the contract or resolution under which he holds office expressly so provides, in which case such termination shall be without prejudice to any claim for damages or breach of any contract of service between him and the Company.
- 105(1). A Director who is in any way whether directly or indirectly interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 156 of the Act. Director to declare interest if any.
- 105(2). A Director shall not vote in respect of any contract or proposed contract or arrangement with the Company in which he has directly or indirectly a personal material interest and if he shall do so his vote shall not be counted nor save as provided by Article 106 shall he be counted in the quorum present at the meeting.
- 105(3). A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as a vendor, purchaser or otherwise. Subject to this Article 105, no such contract and no contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested shall be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
106. Subject to Article 105(2) above, a Director notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged. Director included in quorum.
107. At the Annual General Meeting in every year one-third of the Directors for the time being (other than the Managing Director), or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office Provided Always that all Directors (except the Managing Director) shall retire from office at least once every three years. Retirement.
108. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Determination of Directors to retire.
109. Subject to the Statutes, a retiring Director shall be eligible for re-election at the meeting at which he retires. Re-election.
110. A person who is not a retiring Director shall be eligible for election to office of Director at any General Meeting if some Member intending to propose him has, at least eleven clear days before the meeting, left at the Office of the company a notice in writing duly signed by the nominee, giving his consent to the Nomination of Directors.

nomination and signifying his candidature for the office, or the intention of such Member to propose him, Provided That in the case of a person recommended by the Directors for election, nine clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board of Directors shall be served on the registered holders of shares at least seven days prior to the meeting at which the election is to take place.

111. The Company by Special Resolution in General Meeting may, from time to time, increase or reduce the number of Directors, and may alter their qualification, if any. Increasing or reducing number.

#### MANAGING DIRECTOR

112. The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period (not exceeding five years) and on such terms as they think fit, and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Managing Director shall be subject to the control of the Directors. A Director so appointed shall not, while holding that office be subject to retirement but his appointment shall be automatically determined if he ceases from any cause to be a Director. Appointment of Managing Director.
113. The Directors may vest in such Managing Director such of the powers exercisable under these Articles by them as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they may think expedient and they may confer such powers either collaterally with, or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. Powers of Managing Director.
114. The Directors shall (subject to the provisions of any contract between the Managing Director and the Company) from time to time fix the remuneration of the Managing Director which may be by way of fixed salary, commission or participation in profits (but not turnover) of the Company or by any or all of these modes. Remuneration of Managing Director.

#### POWERS AND DUTIES OF DIRECTORS

115. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company, as are not by the Statutes or by these Articles, required to be exercised by the Company in General Meeting, subject, nevertheless, to any regulations of these Articles or to such Statutes, and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. A Director who is not a Member of the Company may nonetheless be entitled to attend and speak at General Meetings. Powers of Directors.
116. The Directors shall not carry into effect any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved or ratified by the Company in General Meeting. Disposal of undertaking or property.
117. The Directors shall have power at any time and from time to time to appoint any other qualified person as a Director either to fill a casual vacancy or as an addition to the Board. But any Director so appointed shall hold office only until Directors may appoint qualified person to fill.

- the next Annual General Meeting of the Company, and shall be eligible for re-election. vacancy.
118. The Company may from time to time by Ordinary Resolution remove any Director before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his stead. The person so appointed shall continue to hold office until the next Annual General Meeting. Removal of Directors.
119. The Directors may from time to time, by power of attorney under the Seal appoint any person, company, firm or any fluctuating body of persons, whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles), and for such period and subject to such conditions as the Directors think fit, and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit. Directors may appoint attorney.

#### PROCEEDINGS OF DIRECTORS

- 120(1). The Directors may meet together at any place for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. Meeting of Directors and how questions decided.
- 120(2). The contemporaneous linking together by telephone of a number of the Directors not less than the quorum and the Secretary, wherever in the world they are, shall be deemed to constitute a meeting of the Directors so long as the following conditions are met: Meeting of Directors by telephone conference.
- (a) the Directors for the time being entitled to receive notice of any meeting of the Directors (including any alternate for any Director) shall be entitled to notice of any meeting by telephone and to be linked by telephone for the purpose of such meeting. Notice of any such meeting may be given by telephone to all the Directors whether such Directors are within Singapore or otherwise;
  - (b) each of the Directors taking part and the Secretary must be able to hear each of the other Directors taking part subject as hereinafter mentioned throughout the meeting;
  - (c) at the commencement of the meeting each Director must acknowledge his presence to all the other Directors taking part;
  - (d) unless he has previously obtained the consent of the Chairman of the meeting, a Director may not leave the meeting by disconnecting his telephone and shall be conclusively presumed to have been present and to have formed part of the quorum throughout the meeting. The meeting shall be deemed to have been validly conducted notwithstanding that a Director's telephone is accidentally disconnected during the meeting, and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected; and
  - (e) a minute of the proceedings shall be sufficient evidence thereof, conclusive evidence of any resolution of any meeting conducted in the manner as aforesaid and of the observance of all necessary formalities if certified by the Chairman and the Secretary.
121. No business shall be transacted at any meeting of the Directors unless a quorum is present when the meeting proceeds to business. For all purposes Quorum.

- the quorum shall be two Directors present personally or by his alternate.
122. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors by notice served upon the Directors, whether such Directors are within Singapore or otherwise. Meetings.
123. The Directors shall from time to time elect a Chairman who shall preside at meetings, but if no such Chairman be elected, or if at any meeting the Chairman be not present within fifteen minutes after the time appointed for holding the same, a substitute for that meeting shall be appointed by such meeting. Chairman.
124. Where two Directors form a quorum, the Chairman of a meeting at which only such a quorum is present or at which only two Directors are competent to vote in the question at issue, shall not have a casting vote. Save as aforesaid, in the case of an equality of votes the Chairman shall have a second or casting vote. Chairman's casting vote.
125. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to these Articles, the continuing Directors may, except in an emergency, act for the purpose of increasing the number of Directors to such minimum number, or of summoning a General Meeting of the Company, notwithstanding that there shall not be a quorum, but for no other purpose. Continuing Directors may act.
126. The Directors may delegate any of their powers to committees, consisting of such Member or Members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. Powers to delegate to committees.
127. A committee may elect a Chairman of its meetings; if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Members present may choose one of their number to be Chairman of the meeting. Meeting of committees.
128. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the Members present, and in case of an equality of votes the Chairman shall have a second or casting vote. Questions how determined.
129. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director. Validity of acts notwithstanding defective appointment.
130. A resolution in writing signed by a majority of the Directors for the time being shall be valid and effectual as a resolution duly passed at a meeting of Directors duly convened and held, notwithstanding that such signing may take place at different times or places. Any such resolution may consist of several documents in like form, each signed by one or more Directors. The expressions "in writing" and "signed" include approval by telefax, telex, cable or telegram by any such Director. Resolutions of Directors.

#### MINUTES

- 131(1). The Directors shall cause minutes to be duly entered in books provided for that purpose:- Minutes.



- (a) of all appointments of officers;
  - (b) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
  - (c) of all orders made by the Directors and committees of Directors; and
  - (d) of all resolutions and proceedings of General Meetings and of meetings of the Directors or committee of Directors.
- 131(2) Any such minutes of any meeting of the Directors or committee of Directors or of the Company, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes.

#### THE SEAL

- 132(1). The Directors shall provide for the safe custody of the Seal, and the Seal shall only be used by the authority of the Directors. Every instrument to which the Seal is affixed shall bear the signatures or autographic or facsimile signatures of a Director and the Secretary or a second Director or some other person appointed by the Directors for the purpose. Any facsimile signature may be reproduced by mechanical electronic or other method approved by the Directors. The Seal.
- 132(2). The Company may have a duplicate common seal which shall be a facsimile of the common seal of the Company with the addition on its face of the words "Share Seal" and a certificate for shares under such duplicate seal shall be deemed to be sealed with the common seal of the Company.
- 132(3) The Company may exercise all the powers conferred by Section 41(7) of the Act.

#### THE SECRETARY

133. The Secretary shall be appointed by the Directors for such term and at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. The Directors may from time to time appoint an assistant or deputy Secretary or two or more persons as joint Secretaries upon such conditions as they may think fit. Secretary.
134. Anything required or authorised by these Articles or the Statutes to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors Provided Always that any provision of these Articles or the Statutes requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary. Assistant or deputy Secretary.

#### DIVIDENDS

135. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles as to the reserve fund shall be divisible among the Members in proportion to the amount of capital paid up on the shares held by them respectively. Appropriation of profits.

136. The Company in General Meeting may by Ordinary Resolution declare a dividend on or in respect of any share to the Members according to their rights and interest in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. Declaration of Dividend.
137. No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest. Dividend payable out of profits.
138. The declaration of the Directors as to the net profits of the Company shall be conclusive. Declaration conclusive.
139. The Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies provided no such dividends shall be declared more than once in six months. Interim dividend.
140. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists. Debts may be deducted.
141. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer or the entry of the shares against the Depositor's name in the Depository Register, as the case may be. Effect of transfer.
142. Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of wholly or partly paid-up shares, debentures, or debenture stock of the Company, or wholly or partly paid-up shares, debentures, or debenture stock of any other company, or in any one or more of such ways, and the Directors shall give effect to such resolution; and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets, or any part thereof and may determine that cash payments shall be made to any Member upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividends as may seem expedient to the Directors. Where requisite, a proper contract shall be filed in accordance with Section 63 of the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend, and such appointment shall be effective. Dividend in specie.
143. The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmissions of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same. Power to retain dividends.
144. In case several persons are registered in the Register or entered in the Depository Register, as the case may be, as the holders of any share, any resolution of the Directors or the Company in General Meeting declaring a dividend on shares of any class may specify that the dividend shall be payable to such persons at the close of business on a particular date and thereupon the dividend shall be payable in accordance with their respective holdings so registered. Any person registered in the Register or in the Depository Register, as the case may be, as the holder or joint holder of any share or is entitled jointly to a share in consequence of the death or bankruptcy of the holder may give effectual receipts for dividends, bonuses, other moneys payable or properties distributable and payment on account of dividends on or in respect of such shares. Payment to and receipt by joint holders.

145. Notice of declaration of any dividend, whether interim or otherwise, may be given by advertisement. Notice of dividend.
146. Unless otherwise directed, any dividend may be paid by cheque, dividend warrant or Post Office Order, sent through the post to the registered address appearing in the Register or the Depository Register, as the case may be, of the Member or person entitled, or where two or more persons are registered in the Register or entered in the Depository Register, as the case may be, as joint holders or are entitled to the dividend as a result of the death or bankruptcy of the holder, to that one whose name shall stand first on the Register or the Depository Register, as the case may be, in respect thereof and every cheque, dividend warrant or Post Office Order so sent shall be made payable to the order of the person to whom it is sent or to any person and address as such Member(s) or persons(s) may direct in writing. The Company shall not be responsible for the loss of any cheque, dividend warrant or Post Office Order, which shall be sent by post duly addressed to and at the sole risk of the Member or person for whom it is intended. Payment of the cheque, dividend warrant or Post Office Order by the bank upon which they are respectively drawn shall be a full and valid discharge to the Company. Notwithstanding the provisions of these Articles, payment by the Company to the Depository of any dividend payable to a Depositor shall also be a full and valid discharge of the Company from liability to the Depositor in respect of that payment to the extent of the payment made to the Depository. Payment by post.
147. The Depository will hold all dividend unclaimed for six years after having been declared and paid before release to the Directors, and the Directors may invest or otherwise make use of the unclaimed dividends for the benefit of the Company until claimed. Unclaimed dividends.

#### CAPITALISATION OF PROFITS AND RESERVES

- 148(1). The Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve funds or to the credit of the profit and loss account or otherwise available for distribution; and accordingly that such sum be set free for distribution amongst the holders of shares in the Register or in the Depository Register, as the case may be, who would have been entitled thereto if distributed by way of dividends and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up on full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such holders or in their nominees in the proportion aforesaid or partly in the one way and partly in the other and the Directors shall give effect to such resolution Provided Always that a capital redemption reserve fund may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to such holders as fully paid bonus shares unless otherwise permitted by the provisions of the Act. Capitalisation of profits and reserves.
- 148(2). Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the amounts resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision for the satisfaction of the right of the holders of such shares in the Register or in the Depository Register, as the case may be, under such resolution to a fractional part of a share by the issue of fractional certificates or by payment in cash or otherwise as they think fit and also to authorise any persons to enter on behalf of such holders entitled thereto or their nominees into an agreement with the Company providing for the allotment to them respectively credited as fully paid

up of any further shares to which they may be entitled upon such capitalisation; and any agreement made under such authority shall be effective and binding on all such holders and their nominees.

#### RESERVE FUND

149. The Directors may, before declaring any dividend or bonus in respect of any class of shares out of or in respect of the earnings or profits of the Company for any yearly or other period, cause to be reserved or retained and set aside out of such sums as they may determine to form a Reserve Fund to meet contingencies or depreciation in the value of the property of the Company, or for equalising dividends or for special dividends or for distribution of bonuses or for repairing, improving and maintaining any of the property of the Company, or for such other purposes the Directors shall, in their absolute discretion, think conducive to the interest of the Company.

Formation and object of Reserve Fund.

#### ACCOUNTS

150. The Directors shall cause true accounts to be kept in books provided for such purpose:-
- (a) of all sales and purchases by the Company;
  - (b) of the sums of money received and expended by the Company, and the matter in respect of which such receipt and expenditure takes place; and
  - (c) of the assets and liabilities of the Company.

Accounts to be kept.

151. The books of accounts shall be kept at the Office of the Company, or at such other place or places as the Directors shall think fit. The Directors shall from time to time determine whether and to what extent and at what times and places and what conditions or regulations the accounts and books of the Company shall be open to the inspection of Members and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or authorised by the Directors or by a resolution of the Company in General Meeting.

Books to be kept at Office.

152. The Directors shall at some date not later than eighteen months after the date of the incorporation of the Company and subsequently once at least in every calendar year at intervals of not more than fifteen months lay before the Company at its Annual General Meeting a profit and loss account and a balance sheet for the period since the preceding Annual General Meeting (or in the case of the first account and balance sheet, since the date of incorporation of the Company) made up to a date not more than five months before the date of the Meeting.

Profit and loss account.

153. The interval between the close of the financial year of the Company and the issue of the profit and loss account and the balance sheet relating to it shall not exceed five months.

Interval between accounts.

154. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting together with a copy of the Auditors' report shall not less than fourteen clear days before the date of the Meeting, be sent to all persons entitled to receive notices of General Meetings of the Company.

Copy of balance sheet to be sent to persons entitled.

## AUDITS

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| 155. | Once at least in every year the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditors.  | Annual audits.                    |
| 156. | The appointment and duties of such Auditor or Auditors shall be in accordance with the Statutes which may be in force in relation to such matters.   | Appointment of Auditors.          |
| 157. | If any casual vacancy occurs in the office of Auditor, the Directors may fill the same, but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act.   | Casual vacancy.                   |
| 158. | Every account of the Directors when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered within that period, the account shall forthwith be corrected, and thenceforth shall be conclusive. | Audited account to be conclusive. |

## NOTICES

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| 159(1). | A notice or other document may be served by the Company upon a Member, either personally, or by sending it through the post in a prepaid letter or by telex or facsimile transmission addressed to such Member at his address as appearing in the Register or in the Depository Register, as the case may be.  | How notices and documents to be served. |
| 159(2). | Notwithstanding the aforesaid provisions, where the Directors have determined that any notice or other document shall not be served to a Member in any country or jurisdiction outside the Republic of Singapore, any Member who is described in the Register or in the Depository Register, as the case may be, by an address not within the Republic of Singapore shall be deemed to be duly served with such notice or document when such notice or document is duly posted up in the Office. |   |
| 160.    | All notices directed to be given to the Members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register or in the Depository Register, as the case may be, and notice so given shall be sufficient notice to all the holders of such share.   | Notice to joint holders.                |
| 161.    | Any Member described in the Register or the Depository Register, as the case may be, by an address not within the Republic of Singapore who shall from time to time give the Company an address within the Republic of Singapore at which notices may be served upon him shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles.  | Address for service.                    |
| 162.    | As regards Members who have no address appearing in the Register or the Depository Register, as the case may be, a notice posted up in the Office shall be deemed to be duly served on them at the expiration of twenty-four hours after it is so posted up.   | Where no address.                       |
| 163.    | Any document other than a notice required to be served on a Member, may be served in like manner as a notice may be given to him under these Articles. The signature to any such notice or document may be written or printed.   | Service of documents.                   |
| 164.    | Any notice or other document required to be sent or served upon the Company or upon any officer of the Company may be sent or served by leaving the same or sending it through the post in a prepaid letter, envelope or wrapper or by   | Service on Company.                     |

telex or facsimile transmission addressed to the Company or to such officer at the Office.

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| 165. | Any notice or other document, if served or sent by post, shall be deemed to have been served at the time the same is left at the address of the Member in the Register or in the Depository Register, as the case may be, if served personally and at the time when the letter containing the same is put into the post if sent by post, (and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office) and at the same time the same would have reached the Member in the normal course if sent by telex or facsimile transmission.   | When service effected.               |
| 166. | Every person who, by operation of law, transfer or any other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being registered in the Register or in the Depository Register, as the case may be, shall be duly given to the person from whom he derives his title to such share.   | Transferees bound by prior notice.   |
| 167. | Any notice or document served upon or sent to, or left at the address of any Member in the Register or in the Depository Register, as the case may be, pursuant to these Articles, shall, notwithstanding that such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share held by such Member, whether held solely or jointly with other persons, until some other person be registered in his stead as the holder or joint holder of such share, and such service shall, for all purposes of these Articles, be deemed a sufficient service of such notice or document on his executors, administrators or assigns, and all persons (if any) jointly interested with him in such share. | Notice valid though Member deceased. |

WINDING UP

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| 168. | The Directors shall have the power to present a petition to the court in the name and on behalf of the Company for the Company to be wound up.   | Directors have power to present petition. |
| 169. | If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. | Distribution of assets in winding up.     |
| 170. | If the Company shall be wound up, the liquidators may, with the sanction of a Special Resolution, divide among the Members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the Members, but so that if any division is resolved or otherwise than in accordance with such rights, the Members shall have the same right of dissent and consequential rights as if such resolution were a Special Resolution passed pursuant to Section 306 of the Act. A Special Resolution sanctioning a transfer or sale to another company duly passed  | Distribution of assets in specie.         |

pursuant to the said Section may in like manner authorise the distribution of any share or other consideration receivable by the Liquidators amongst the Members otherwise than in accordance with their existing rights; and any such determination, shall be binding upon all the Members subject to the right of dissent and consequential rights conferred by the said Section.

171. On the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been ratified by the Members. The amount of such payment shall be notified to all Members at least seven days prior to the meeting at which it is to be considered.
- Commission or fee to liquidators.

#### INDEMNITY

172. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in the Act), which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no such Directors or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by the Act.
- Indemnity of officers.

#### SECRECY

173. No Member shall be entitled to require the Company to disclose any information relating to any trade, business, product or process which is secret in nature which may relate to the conduct of the business of the Company and which the Directors determine to be inexpedient and inadvisable to communicate in the best interest of the Members save as may be authorised by law and the Listing Manual of The Singapore Exchange Securities Trading Limited.
- Secrecy in the best interest of the Members.

#### MARGINAL NOTES

174. The marginal notes shall not affect the construction thereof.
- Marginal notes.

#### AMENDMENTS

175. No deletion, amendment, addition or other modification shall be made to these Articles without the prior written approval of the Exchange.
- Exchange Approval.

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NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS

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NAME : LEE HAN FUI  
ADDRESS : 38 GOLDHILL AVENUE, GOLDHILL TOWER #12-42  
SINGAPORE 1130  
OCCUPATION : COMPANY DIRECTOR

NAME : CHUNG SHIH DAH  
ADDRESS : 24 RIVER VALLEY CLOSE #16-26 SINGAPORE 0923  
OCCUPATION : COMPANY DIRECTOR

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Dated this       day of       2001.

Witness to the above signatures:

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Advocate & Solicitor