

## **LISTINGS, REGISTRATION, DEALINGS AND SETTLEMENT**

### **LISTINGS**

Our Company currently has a primary listing of Shares on the SGX-ST, which it intends to maintain alongside its proposed dual primary listing of Shares on the Stock Exchange. Application has been made to the Listing Committee for the listing of, and permission to deal in, our Shares.

### **REGISTRATION**

The principal register of members is maintained in Singapore by Boardroom Corporate & Advisory Services Pte. Ltd., the Singapore Principal Registrar, whose address is 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Our Company has established a branch register of members in Hong Kong which is maintained by Tricor Investor Services Limited, the Hong Kong Branch Registrar, whose address is 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.

Certificates in respect of the Shares registered on the Hong Kong Branch Share Register will, as far as practicable, and unless otherwise requested, be issued in board lots of 1,000 Shares. The Singapore Principal Registrar will keep in Singapore duplicates of the Hong Kong Branch Share Register, which will be updated from time to time.

### **Certificates**

Only certificates for Shares issued by the Hong Kong Branch Share Registrar will be valid for delivery in respect of dealings effected on the Stock Exchange. Only certificates for Shares issued by the Singapore Principal Registrar will be valid for delivery in respect of dealings effected on the SGX-ST. For ease of identification, the certificates for Shares issued by Singapore Principal Registrar are pink in color. The share certificates issued by the Hong Kong Branch Share Registrar will be blue in color.

### **DEALINGS**

Dealings in Shares on the Stock Exchange and the SGX-ST will be conducted in Hong Kong dollars and Singapore dollars respectively. The Shares are traded on the SGX-ST and will be traded on the Stock Exchange in board lots of 1,000 Shares.

The transaction costs of dealings in the Shares on the Stock Exchange include a Stock Exchange trading fee of 0.005%, an SFC transaction levy of 0.004% (which will be changed to 0.003% from October 1, 2010), a transfer deed stamp duty of HK\$5.00 per transfer deed and ad valorem stamp duty on both the buyer and the seller charged at the rate of 0.1% each of the consideration or, if higher, the fair value of the Shares transferred. The brokerage commission in respect of trades of Shares on the Stock Exchange is freely negotiable.

A clearing fee in Singapore is payable at the rate of 0.04% of the transaction value, subject to a maximum of S\$600 per transaction. Such clearing fee is subject to goods and services tax in Singapore (currently at 7.0%). The brokerage commission in respect of trades of Shares on the SGX-ST is freely negotiable.

## **SETTLEMENT**

### **Settlement of dealings in Singapore**

Shares listed and traded on the SGX-ST are traded under the book-entry settlement system of CDP and all dealings in and transactions of Shares through the SGX-ST are effected in accordance with the terms and conditions for the operation of securities accounts with CDP, as amended from time to time.

CDP, a wholly-owned subsidiary of the SGX-ST, is incorporated under the laws of Singapore and acts as a depository and clearing organization. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between account holders through electronic book-entry changes in the securities accounts maintained by such account holders with CDP.

Shares will be registered in the name of CDP or its nominees and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, securities accounts with CDP. Persons named as direct securities account holders and depository agents in the depository register maintained by CDP, rather than CDP itself, will be treated, under the Singapore Companies Act and our Articles of Association, as our members in respect of the number of our Shares credited to their respective securities accounts.

Persons holding Shares in a securities account with CDP may withdraw the number of Shares they own from the book-entry settlement system in the form of physical share certificates. Such share certificates will not, however, be valid for delivery pursuant to trades transacted on the SGX-ST, although they will be prima facie evidence of title and may be transferred in accordance with the Memorandum and Articles of Association of our Company. A fee of S\$10 for each withdrawal of 1,000 Shares or less and a fee of S\$25 for each withdrawal of more than 1,000 Shares will be payable upon withdrawing Shares from the book-entry settlement system and obtaining physical Share certificates. In addition, a fee of S\$2 (or such other amounts as the Directors may decide) will be payable to the Singapore Principal Registrar for each Share certificate issued. Stamp duty of S\$10 is also payable where Shares are withdrawn in the name of the person withdrawing Shares, or S\$0.20 per S\$100 or part thereof of the last-transacted price where Shares are withdrawn in the name of a third party. Persons holding physical Share certificates who wish to trade on the SGX-ST must deposit with CDP their Share certificates together with the duly executed and stamped instruments of transfer in favor of CDP, and have their respective securities accounts credited with the number of Shares deposited before they can effect the desired trades. A fee of S\$10 is payable upon the deposit of each instrument of transfer with CDP. The fees charged by the Singapore Principal Registrar and CDP are subject to Singapore goods and services tax (currently at 7.0%).

Transactions in Shares under the book-entry settlement system will be reflected by the seller's securities account being debited with the number of Shares sold and the buyer's securities account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for the transfer of the Shares that are settled on a book-entry basis.

A Singapore clearing fee for trades in Shares on the SGX-ST is payable at the rate of 0.04% of the transaction value, subject to a maximum of S\$600 per transaction. The clearing fee, instrument of transfer deposit fees and share withdrawal fee are subject to Singapore goods and services tax of 7.0%.

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Dealings in the Shares will be carried out in Singapore dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal “ready” basis on the SGX-ST generally takes place on the third market day following the transaction date, and payment for the securities is generally settled on the following day. CDP holds securities on behalf of investors in securities accounts. An investor may open a direct securities account with CDP or a securities sub-account with a depository agent. A depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

### Settlement of dealings in Hong Kong

Investors in Hong Kong must settle their trades executed on the Stock Exchange through their brokers directly or through custodians. For an investor in Hong Kong who has deposited his Shares in his designated CCASS Participant’s stock account maintained with CCASS, settlement will be effected by CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to his broker or custodian before the settlement date.

An investor may arrange with his broker or custodian on a settlement date in respect of his trades executed on the Stock Exchange. Under the Listing Rules and the General Rules of CCASS and CCASS Operational Procedures in effect from time to time, the date of settlement must not be later than the second business day following the trade date on which the settlement services of CCASS are open for use by CCASS Participants (T+2). For trades settled under CCASS, the General Rules of CCASS and CCASS Operational Procedures in effect from time to time provide that the defaulting broker may be compelled to compulsorily buy-in by HKSCC the day after the date of settlement (T+3), or if it is not practicable to do so on T+3, at any time thereafter. HKSCC may also impose fines from T+2 onwards.

The CCASS stock settlement fee payable by each counterparty to a Stock Exchange trade is currently 0.002% of the gross transaction value subject to a minimum fee of HK\$2 and a maximum fee of HK\$100 per trade.

### Dividends

Dividends are declared in Singapore dollars and will be converted into Hong Kong dollars before being paid to the Shareholders (depending on where the Shareholders’ Shares are then traded).

### Foreign Exchange Risk

Investors in Singapore who trade on the SGX-ST should note that their trades will be effected in Singapore dollars. Investors in Hong Kong who trade on the Stock Exchange should note that their trades will be effected in Hong Kong dollars. Accordingly, investors should be aware of the foreign exchange risks associated with such trading.

Please see the section headed “Risk Factors” in this Listing Document for a discussion on foreign exchange risks.

### **Transfer of Shares**

All duties, fees and expenses specified herein are subject to changes from time to time.

### **Removal of Shares**

Currently, all the Shares are registered on the Singapore Principal Share Register. For the purpose of trading on the Stock Exchange, the Shares must be registered on the Hong Kong Branch Share Register. Shares may be transferred between the Singapore Principal Share Register and the Hong Kong Branch Share Register. An investor who wishes to trade on the SGX-ST must have his Shares registered on the Singapore Principal Share Register and an investor who wishes to trade on the Stock Exchange must have his Shares registered on the Hong Kong Branch Share Register by removing them from the Singapore Principal Share Register to the Hong Kong Branch Share Register. A resolution has been passed by the Directors authorizing the removal of Shares between the Singapore Principal Share Register and the Hong Kong Branch Share Register as may from time to time be requested by the members of our Company.

## **TRANSFER OF SHARES BETWEEN THE SINGAPORE PRINCIPAL SHARE REGISTER AND THE HONG KONG BRANCH SHARE REGISTER**

### **Transfer from Singapore Principal Share Register to Hong Kong Branch Share Register**

If an investor whose Shares are traded on the SGX-ST wishes to trade his Shares on the Stock Exchange, he must effect a removal of Shares from the Singapore Principal Share Register to the Hong Kong Branch Share Register.

A removal of the Shares from the Singapore Principal Share Register to the Hong Kong Branch Share Register involves the following procedures:

1. If the investor's Shares have been deposited with CDP, the investor must first withdraw his Shares from CDP by submitting (i) Withdrawal Request Form (CDP Form 3.1 — available from CDP), (ii) transfer form, (iii) Certificate of Stamp Duty and (iv) a bank draft for the amount as prescribed by CDP from time to time, to CDP.
2. The investor shall complete a removal request form (in duplicate) obtained from the Singapore Principal Registrar and submit the removal request form (in duplicate) together with bank drafts for the amounts as prescribed by the Singapore Principal Registrar and the Hong Kong Branch Registrar from time to time to the Singapore Principal Registrar.
3. CDP will then send the duly completed transfer form, Certificate of Stamp Duty and the relevant share certificate(s) registered under the name of CDP to the Singapore Principal Registrar directly.
4. Upon receipt of the documents referred to above and the relevant payment, the Singapore Principal Registrar shall take all actions necessary to effect the transfer and removal of Shares from the Singapore Principal Share Register. On completion, the Singapore Principal Registrar shall then notify the Hong Kong Branch Registrar of the removal

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whereupon the Hong Kong Branch Registrar shall update the Hong Kong Branch Share Register and issue share certificate(s) in the name of the investor and send such share certificate(s) to the address specified by the investor. Despatch of share certificate(s) will be made at the risk and expense of the investor as specified in the removal request form.

5. If the investor's Shares upon being registered in Hong Kong are to be deposited with CCASS, the investor must deposit the Shares into CCASS for credit to his CCASS Investor Participant stock account or his designated CCASS Participant's stock account. For deposit of Shares to CCASS or to effect sale of Shares in Hong Kong, the investor should execute a transfer form which is in use in Hong Kong and which can be obtained from the offices of the Hong Kong Branch Registrar or the Singapore Principal Registrar and deliver it together with his share certificate(s) issued by the Hong Kong Branch Registrar to HKSCC directly if he intends to deposit the Shares into CCASS for credit to his CCASS investor participant stock account or via a CCASS Participant if he wants the Shares to be credited to his designated CCASS Participant's stock account.

*Note: Under normal circumstances, steps (1) to (4) generally require 14 business days to complete. Generally, expedited removal services at a turnaround time of up to 10 business days are available at an investors' request but will be subject to the discretion of the Hong Kong Branch Registrar and the Singapore Principal Registrar and will not be available during peak operation seasons of the Hong Kong Branch Registrar and the Singapore Principal Registrar.*

### **Transfer from Hong Kong Branch Share Register to Singapore Principal Share Register**

If an investor whose Shares are traded on the Stock Exchange wishes to trade his Shares on the SGX-ST, he must effect a removal of the Shares from the Hong Kong Branch Share Register to the Singapore Principal Share Register. Such removal and deposit of the Shares would involve the following procedures:

1. If the investor's Shares have been deposited with CCASS, the investor must first withdraw such Shares from his CCASS Investor Participant stock account with CCASS or from the stock account of his designated CCASS Participant.
2. If the investor's Shares are registered in the investor's own name, the investor shall complete the Combined Share Removal and Transfer Form and Delivery Instruction Form (the "**Removal Request Form**") (in duplicate) available from the Hong Kong Branch Registrar and submit the same together with the share certificate(s) in his name, bank drafts for the amounts as prescribed by the Hong Kong Branch Registrar and the Singapore Principal Registrar from time to time and a bank draft for the amount of deposit fee (where applicable) as prescribed by CDP from time to time, to the Hong Kong Branch Registrar. If the investor's Shares have been deposited with CCASS, the investor must first withdraw such Shares from his CCASS Investor Participant stock account with CCASS or from the stock account of his designated CCASS Participant and also submit the relevant share transfer form(s) duly stamped and executed by HKSCC Nominees Limited and the investor, the relevant share certificate(s) and a duly completed Removal Request Form to the Hong Kong Branch Registrar.

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3. Upon receipt of the Removal Request Form (in duplicate), the relevant share certificate(s) and where appropriate, the completed share transfer form(s) duly stamped and executed by HKSCC Nominees Limited and the investor, the Hong Kong Branch Registrar shall take all actions necessary to effect the transfer and the removal of the Shares from the Hong Kong Branch Share Register to the Singapore Principal Share Register.
4. The Hong Kong Branch Registrar shall then notify the Singapore Principal Registrar of the removal whereupon the Singapore Principal Registrar shall update the Singapore Principal Share Register. Upon completion, the Singapore Principal Registrar shall issue the relevant share certificate(s) in the name of the investor or CDP (as the case may be) for onward transmission to the investor or CDP (as the case may be).
5. In accordance with the delivery instruction set out in the Removal Request Form duly completed and signed by the investor, the Singapore Principal Registrar will arrange with CDP to credit the Shares into the investor's securities account with CDP or sub-account with a CDP depository agent. The investor must ensure that he has a securities account in his own name or sub-account with a CDP depository agent before he can complete and sign off on delivery instruction set out in the Removal Request Form.

*Note: Under normal circumstances, steps (2) to (4) generally require 15 business days to complete. Generally, expedited removal services at a turnaround time of up to 10 business days are available at an investor's request but will be subject to the discretion of the Hong Kong Branch Registrar and the Singapore Principal Registrar and will not be available during peak operation seasons of the Hong Kong Branch Registrar and the Singapore Principal Registrar.*

**For those Shares which are registered on the Hong Kong Branch Share Register, any transfer thereof or dealings therein will be subject to Hong Kong stamp duty. For those Shares which are registered on the Singapore Principal Share Register, any transfer thereof or dealings therein will be subject to Singapore stamp duty.**

All costs attributable to the removal of Shares from the Hong Kong Branch Share Register to the Singapore Principal Share Register and any removal from the Singapore Principal Share Register to the Hong Kong Branch Share Register shall be borne by the Shareholder requesting the removal. In particular, Shareholders should note that the Hong Kong Branch Registrar will charge HK\$300 for each removal of Shares, HK\$20 for postage (if required) and a fee of HK\$2.5 for each Share certificate cancelled or issued by it and any applicable fee as stated in the removal request forms used in Hong Kong or Singapore. In addition, the Singapore Principal Registrar will charge S\$30 (plus applicable taxes) for each removal of Shares, a fee of S\$2 (plus applicable taxes) for each Share certificate issued by it and any applicable fee as stated in the removal request forms used in Hong Kong or Singapore. CDP will charge S\$10 (plus applicable taxes) for the deposit fee (where applicable) and any applicable fee as stated in the removal request forms used in Hong Kong or Singapore. The fees charged by the Singapore Principal Registrar and CDP are subject to Singapore goods and services tax (currently at 7%).

### **Special arrangements to facilitate transfers prior to the Introduction**

Special arrangements have been made to facilitate transfers of Shares prior to the Introduction. In connection with the Introduction, the Singapore Principal Registrar and the Hong Kong Branch

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Registrar will provide three batch-transfers of Singapore-listed Shares for Shareholders seeking to transfer their Shares to the Hong Kong Branch Share Register prior to the Introduction. The key dates in relation to such batch-transfer exercise (the “**Batch-Transfers**”) are set out below:

<u>Events</u>	<u>First Batch-Transfer</u>	<u>Second Batch-Transfer</u>	<u>Third Batch-Transfer</u>
Final date to submit Withdrawal Request Form to CDP and removal request form to the Singapore Principal Registrar . . . . .	September 14, 2010	September 21, 2010	September 23, 2010
Share certificates available for collection from the Hong Kong Branch Registrar’s office . . . . .	September 28, 2010	October 5, 2010	October 7, 2010

Shareholders who hold their Shares directly in CDP and who wish to participate in the Batch-Transfers will need to complete and submit the Withdrawal Request Form, together with the transfer form, to CDP and the removal request form to the Singapore Principal Registrar before the relevant dates stipulated above.

Our Company will bear the costs, fees and duties payable for the Batch Transfers to the Singapore Principal Registrar and the Hong Kong Branch Registrar. Withdrawal fees payable to CDP will be borne by Shareholders and CDP’s existing charges will still apply, together with any other costs to be levied by Shareholders’ own brokers, nominees or custodians (where relevant).

Our Company has made arrangements to inform the Shareholders and the Singapore investing public of details of the Introduction and the Batch-Transfers procedures.

## **BRIDGING ARRANGEMENTS**

### **Intended arbitrage activities during the Bridging Period**

Upon the Introduction and during the Bridging Period, the Bridging Dealer, on its own account, will seek to undertake arbitrage activities in the circumstances described below. Such arbitrage activities are expected to contribute to the liquidity of trading in the Shares on the Hong Kong market upon the Introduction as well as to reduce potential material divergence between Share prices on the Hong Kong and the Singapore markets:

1. The Bridging Dealer will seek to carry out arbitrage trades in line with market practice in the context of dual listed stocks. The arbitrage trades are expected to be carried out where there exists a meaningful price differential between prices of Shares quoted on the Stock Exchange and those quoted on the SGX-ST. In relation to the Introduction, it is expected that a typical arbitrage trade would be executed if and when prices of Shares quoted on the Stock Exchange are meaningfully higher than those on the SGX-ST, in which case the Bridging Dealer will seek to purchase Shares at the lower price in Singapore and sell Shares at the higher price in Hong Kong.

The typical cost of executing an arbitrage trade is minimal and should constitute a small percentage of the Share price. In the Hong Kong context, the typical cost comprises stamp duty (0.1%), trading fee (0.005%) and transaction levy (0.004%, which will be changed to 0.003% from October 1, 2010) while in the Singapore context, there is a clearing fee (0.04% up to a maximum of S\$600) and trading fee (0.0075%). Nonetheless, as the

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Bridging Dealer envisages, that for arbitrage trades to occur, the Share price differential would need to exceed such transaction costs and the risk premium as perceived by the Bridging Dealer (including but not limited to factors such as price volatility and market liquidity on both markets).

The Bridging Dealer intends to carry out arbitrage trades where (a) there is a meaningful Share price differential between the Hong Kong and Singapore markets (as determined by the Bridging Dealer), and (b) the Bridging Dealer is able to purchase sufficient quantities of Shares to address such price differentials when they arise and to contribute towards trading liquidity to a meaningful extent. The bridging arrangements and the role of the Bridging Dealer will terminate and cease at the expiry of the Bridging Period.

2. For the Bridging Dealer to contribute meaningfully towards liquidity of trading in the Shares on the Hong Kong market, there should be no trading or exchange disruption in or early closure (other than due to different trading hours) of one or both stock exchanges. There should be concurrent availability of Shares on both stock exchanges. The Bridging Dealer has also entered into a Share Borrowing and Lending Agreement to ensure it will have ready access to appropriate quantities of Shares for settlement purposes upon the Introduction and during the Bridging Period.
3. There is a Share Borrowing and Lending Agreement between Sound Water (the “**Lender**”) and the Bridging Dealer which takes effect from September 30, 2010. Pursuant to the Share borrowing arrangement, the Lender will, at the request of the Bridging Dealer, make available to the Bridging Dealer Share lending facilities of an aggregate of up to 7.5% of the Shares in issue. Such Shares will be used for settlement in connection with the arbitrage trades carried out by the Bridging Dealer in Hong Kong. These Shares will have been registered on the Hong Kong Branch Share Register prior to the Introduction.

The Share Borrowing and Lending Agreement provides, inter alia, for the Lender to recall the borrowed Shares by giving advance notice of 7 days and that all the Shares borrowed shall be returned to the Lender not later than 13 business days after the Bridging Period End Date.

4. Additionally, to facilitate the role of the Bridging Dealer commencing from the pre-opening period (9:30 a.m. – 10:00 a.m.) on the first day of the Introduction, the Bridging Dealer has established a mechanism in place to build up an ownership of a small inventory of Shares prior to the commencement of trading. There is a Share Sale and Purchase Agreement between Sound Water (the “**Vendor**”) and the Bridging Dealer with effect from September 22, 2010 for the sale of an aggregate of 11 million Shares (representing approximately 0.85% of the Shares in issue) at a sale price of S\$0.77 per Share, being the closing price of the Shares quoted on the SGX-ST on the day immediately before purchase was entered into.
5. At the same time as entering into the Share Sale and Purchase Agreement, there is a Share Option Agreement between the Vendor and the Bridging Dealer with effect from September 22, 2010, pursuant to which the Bridging Dealer has put options to sell the equivalent number of Shares purchased under the relevant Share Sale and Purchase Agreement back to the Vendor, at the same price as such Shares were purchased, on the expiry of the Bridging Period with delivery of such Shares to the Vendor taking place

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within 15 business days thereafter, and the Vendor has call options to require the Bridging Dealer to sell the equivalent number of Shares purchased under the relevant Share Sale and Purchase Agreement back to the Vendor upon the expiry of the Bridging Period with delivery of such Shares to the Vendor taking place within 15 business days thereafter. Currently, it is intended that the Bridging Dealer will sell back to the Vendor at the end of the Bridging Period our equivalent number of Shares as it purchased under the Share Sale and Purchase Agreement pursuant to the exercise of either all of the call or all of the put options.

6. The sole purpose of the Share Sale and Purchase Agreement is to facilitate the Bridging Dealer in contributing towards trading liquidity in the Shares on the Hong Kong market, by making available a quantity of Shares to facilitate arbitrage trades commencing from the pre-opening period (9.30 a.m. – 10.00 a.m.) during the Bridging Period. Under the arrangement described in paragraphs (4) and (5) above, the Vendor will maintain a neutral position in respect of its shareholdings in our Company.
7. The Bridging Dealer will continue to replenish its Share inventory while carrying out the arbitrage trades. When a buy order has been executed on the Singapore market and a sale order has been executed on the Hong Kong market, the Bridging Dealer will instruct the Singapore Principal Registrar to transfer the Shares purchased on the Singapore market to Hong Kong to replenish its Share inventory for further trading. While such transfer of Shares takes place, the Bridging Dealer will utilize the Shares borrowed under the Share Borrowing and Lending Agreement for settlement of the sale made in Hong Kong.
8. The Bridging Dealer will set up a designated dealer identity number solely for the purposes of carrying out arbitrage trades under this exercise in Hong Kong, in order to ensure identification and thereby enhance transparency of such trades on the Hong Kong market. Once the designated dealer identity number is available and in any event not later than three Business Days before the first day of the Introduction, the Bridging Dealer will notify our Company of its designated dealer identity number. Such information will then be posted by our Company on the website of our Company, and disclosed by way of an announcement on both stock exchanges. Any change in such designated dealer identity numbers will be disclosed as soon as practicable using the same channels as described above.
9. The Bridging Dealer will enter into such bridging arrangements (including the arbitrage activities) on a voluntary basis with a view to contributing towards the liquidity of the Shares in Hong Kong, and intend for such bridging arrangements to constitute proprietary transactions.

It is emphasized that other than the Bridging Dealer, arbitrage activities and bridging arrangements may be carried out by market participants who have access to the Shares. Also, other existing Shareholders who may have transferred part or all of their shareholdings from Singapore to Hong Kong upon the commencement of trading (or thereafter) can also carry out arbitrage trades in the Shares. Such activities will depend on the extent of price differentials between the two stock exchanges, and the number of market participants (other than the Bridging Dealer) who elect to enter into such arbitrage activities and bridging arrangements.

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The arbitrage activities of the Bridging Dealer and any persons acting for it will be entered into in accordance with all applicable laws, rules and regulations. The bridging arrangements being implemented in connection with the Introduction are within the circumstances under paragraph 2.3 of the SFC's Guidance Note on Short Selling Reporting and Stock Lending Record Keeping Requirements and accordingly, are not regarded as short selling in breach of section 170 of the SFO. The bridging arrangements being implemented in connection with the Introduction are not equivalent to the price stabilization activities which may be undertaken in connection with an initial public offering. In addition, the Bridging Dealer is not acting as a market maker and does not undertake to create or make a market in Shares on the Hong Kong market.

### Spread of shareholdings

It is expected that the following measures and factors will assist in creating and/or improving the spread of holdings of the Shares available for trading on the Stock Exchange following the Introduction:

- As the Shares are of one and the same class, Shareholders may at their discretion transfer Shares from Singapore to Hong Kong upon or after the Introduction, as described in the paragraph headed "Transfer of Shares between the Singapore Principal Share Register and the Hong Kong Branch Share Register" above. Special arrangements have been made to facilitate transfers of Shares, and to incentivize existing Shareholders to transfer their Shares to Hong Kong prior to the Introduction by enabling them to do so at a reduced cost. Details of such arrangements are set out in the paragraph headed "Special arrangements to facilitate transfers prior to the Introduction" above. To the extent that existing Shareholders elect to transfer Shares to Hong Kong before or shortly after the Introduction, such Shares may help contribute to the general liquidity of the Shares on the Hong Kong market.
- Sound Water has confirmed to the Sponsor that it intends to transfer, and/or procure the transfer of, Shares representing an aggregate of about 12.5% of the Shares in issue (which includes the 7.5% for the Share borrowing arrangement described above) to the Hong Kong Branch Share Register prior to the Introduction. As indicated in sub-paragraph (3) of the paragraph headed "Bridging Arrangements — Intended arbitrage activities during the Bridging Period" above, Sound Water will lend and make available to the Bridging Dealer Shares which will be used solely for settlement in connection with the arbitrage trades carried out by the Bridging Dealer in Hong Kong.
- In conducting arbitrage activities in circumstances as described in the paragraph headed "Bridging Arrangements — Intended arbitrage activities during the Bridging Period" above, the Bridging Dealer is effectively acting as a conduit to transfer some of the trading liquidity of the Shares in the Singapore market to the Hong Kong market.

The Directors and the Sponsor consider that having regard to the special arrangements described in the paragraphs headed "Special arrangements to facilitate transfers prior to the Introduction", "Bridging Arrangements" and "Investor Education" in this section, all reasonable efforts have been made to facilitate the migration of Shares to the Hong Kong Branch Share Register to provide the basis for an open market at the time of Introduction.

### **Benefits of the bridging arrangements**

It is believed that the bridging arrangements will benefit the Introduction in the following ways:

- As arbitrage trades are intended to be carried out by the Bridging Dealer during the Bridging Period where there is a meaningful price differential in the Share prices, the bridging arrangements are expected to contribute to the liquidity of the Shares on the Hong Kong market upon the Introduction.
- Arbitrage trades, by their nature, would typically contribute to reducing potential material divergence between Share prices on the Hong Kong and the Singapore markets.
- 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 the 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.

### **Disclosure of the bridging arrangements**

In order to enhance transparency of the arbitrage activities carried out under the bridging arrangements, various measures to provide information to the market and potential investors will be undertaken as described in paragraph headed “Investor Education” below.

Further, our Company will, as soon as practicable and in any event before the opening of trading hours on the Business Day immediately before the first day of the Listing, release an announcement on the Hong Kong Stock Exchange and the SGX-ST to inform the investing public of the following information as at the latest practicable date prior to such announcement:

- the number of Shares in respect of which the Singapore Principal Registrar has received instructions from Shareholders for the transfer of such Shares to the Hong Kong Branch Share Register (whether under the Batch-Transfers arrangements or otherwise); and
- the total number of Shares which have been registered on the Hong Kong Branch Share Register.

In respect of the arbitrage trades to be carried out by the Bridging Dealer, it will set up a designated dealer identity number solely for the purposes of carrying out such trades in Hong Kong, in order to ensure identification and thereby enhance transparency of the trades on the Hong Kong market. Information relating to such designated dealer identity number will be disclosed as set out under sub-paragraph (8) of the paragraph headed “Bridging Arrangements — Intended arbitrage activities during the Bridging Period” above.

In addition, where applicable, the arbitrage trades carried out by the Bridging Dealer, and the transactions under the Share Borrowing and Lending Agreement, the Share Sale and Purchase Agreement and the Share Option Agreement, will also be disclosed in accordance with the deemed application of the disclosure of interests regime under the provisions of Part XV of the SFO and the relevant provisions of the SFA and the Singapore Companies Act.

## **INVESTOR EDUCATION**

### **Arrangements involving our Company and the Sponsor**

Prior to the Introduction, our Company and the Sponsor will cooperate to inform the investor community in Hong Kong of general information relating to our Company, as well as the developments and/or changes to the bridging arrangements as disclosed in this Listing Document. After the Introduction has taken place, our Company and the Sponsor may continue to take measures to educate the public. The following measures will be taken to enhance transparency of our Company and the bridging arrangements:

- There will be media briefings and press interviews to inform investors of the arrangements;
- Analyst briefings will be conducted to research houses that cover listed companies in similar industry;
- Briefings in relation to the bridging arrangements will be conducted for, amongst others, private bank divisions, a syndicate of brokerage houses and other institutional investors;
- Information factsheets on our Company generally, and on the Share transfer procedures as summarized in the paragraph headed “Transfer of Shares between the Singapore Principal Share Register and the Hong Kong Branch Share Register” above will be posted on the website of our Company;
- During a period of three Business Days prior to the commencement of dealings in the Shares on the Stock Exchange, a daily announcement will be released on the Stock Exchange and the SGX-ST, disclosing our Company’s previous day closing price on the SGX-ST, as well as any relevant developments and updates with regard to the bridging arrangements; and
- Electronic copies of this document will be disseminated through the website of our Company and the websites of the Stock Exchange and the SGX-ST. In addition, physical copies of this document will be made available for collection at the following locations:
  - Offices of Fried, Frank, Harris, Shriver & Jacobson at 9th Floor, Gloucester Tower, The Landmark, 15 Queen’s Road Central, Hong Kong; and
  - Offices of the Bridging Dealer at 46th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

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### **Other sources of information**

Real-time trading information in respect of the Shares can be obtained from the following sources:

- the website of SGX-ST at [http://www.sgx.com/wps/portal/marketplace/mp-en/prices\\_indices\\_statistics/securities/stocks](http://www.sgx.com/wps/portal/marketplace/mp-en/prices_indices_statistics/securities/stocks), at no cost; or
- through service providers that provide such facilities at investors' own expense. Such service will be provided on and subject to the terms and conditions of the relevant service provider.

### **Historical trading information in respect of the Shares on the SGX-ST**

Please refer to the section headed "Share Capital" in this Listing Document for the historical trading information of the Shares on the SGX-ST.