

SUMMARY OF SALIENT PROVISIONS OF THE LAWS OF SINGAPORE

The following summarises the salient provisions of the laws of Singapore applicable to the Shareholders as the date of this document. The summaries below are for general guidance only and do not constitute legal advice, nor must they be used as a substitute for, or specific legal advice on the corporate law of Singapore. The summaries below are not meant to be a comprehensive or exhaustive description of all the obligations, rights and privileges of Shareholders imposed on or conferred by the corporate law of Singapore. In addition, prospective investors and/or Shareholders should also note that the laws applicable to Shareholders may change, whether as a result of proposed legislative reforms to the Singapore laws or otherwise. Prospective investors and/or Shareholders should consult their own legal advisers for specific legal advice concerning their legal obligations under the relevant laws.

1. Reporting Obligations of Shareholders***Obligation to Notify Company of Substantial Shareholding and Change in Substantial Shareholding under Section 82 of the Singapore Companies Act***

A person has a substantial shareholding in a company if he has an interest or interests in one or more voting shares in a company, and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company, excluding treasury shares.

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 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 within two Business Days after he is 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% 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.

Consequences of Non-compliance***Section 90 of the Singapore Companies Act***

Section 90 of the Singapore Companies Act provides for a defence to a prosecution for failing to comply with sections 82, 83 or 84. It is a defence if the defendant proves that his failure was due to his not being aware of a fact or occurrence the existence of which was necessary to constitute the offence and that he was not so aware on the date of the summons; or he became so aware less than 7 days before the date of the summons. However, a person will conclusively be presumed to have been aware of a fact or occurrence at a particular time (a) of which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware at that time; or (b) of which an employee or agent of the person, being an employee or agent having duties or acting in relation to his master's or principal's interest or interests in a share or shares in the company concerned, was aware or would, if he had acted with reasonable diligence in the conduct of his master's or principal's affairs, have been aware at that time.

Powers of the Court with respect to Defaulting Substantial Shareholders***Section 91 of the Singapore Companies Act***

Section 91 of the Singapore Companies Act provides that where a substantial shareholder fails to comply with sections 82, 83 or 84, the Court may, on the application of the Minister, whether or not the failure still continues, make one of the following orders:

- (a) an order restraining the substantial shareholder from disposing of any interest in shares in the company in which he is or has been a substantial shareholder;
- (b) an order restraining a person who is, or is entitled to be registered as, the holder of shares referred to in paragraph (a) from disposing of any interest in those shares;
- (c) an order restraining the exercise of any voting or other rights attached to any share in the company in which the substantial shareholder has or has had an interest;
- (d) an order directing the company not to make payment, or to defer making payment, of any sum due from the company in respect of any share in which the substantial shareholder has or has had an interest;
- (e) an order directing the sale of all or any of the shares in the company in which the substantial shareholder has or has had an interest;
- (f) an order directing the company not to register the transfer or transmission of specified shares;

- (g) an order that any exercise of the voting or other rights attached to specified shares in the company in which the substantial shareholder has or has had an interest be disregarded; or
- (h) for the purposes of securing compliance with any other order made under this section, an order directing the company or any other person to do or refrain from doing a specified act.

Any order made under this section may include such ancillary or consequential provisions as the Court thinks just. The Court may not make an order other than an order restraining the exercise of voting rights, if it is satisfied (a) that the failure of the substantial shareholder to comply was due to his inadvertence or mistake or to his not being aware of a relevant fact or occurrence; and (b) that in all the circumstances, the failure ought to be excused. Any person who contravenes or fails to comply with an order made under this section that is applicable to him shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$5,000 and, in the case of a continuing offence, to a further fine of S\$500 for every day during which the offence continues after conviction.

Obligation to Notify the SGX-ST of Substantial Shareholding and Change in Substantial Shareholding

Section 137(1) of the SFA

Section 137 of the SFA provides that the foregoing provisions of the Singapore Companies Act applies to a substantial shareholder of a company whose shares are listed on a securities exchange, save that references to the company to which notification should be given shall be to the securities exchange.

A substantial shareholder is therefore required under section 137(1) of the SFA to notify to the SGX-ST of any change in the percentage level of his shareholding or his ceasing to be a substantial shareholder within two Business Days after he is aware of such changes. Any person who fails to comply with section 137(1) is guilty of an offence and shall be liable on conviction to a fine not exceeding S\$25,000 and, in the case of a continuing offence, to a further fine of S\$2,500 for every day or part thereof during which the offence continues after conviction.

Duty Not to Furnish False Statements to Securities Exchange, Futures Exchange, Designated Clearing House and Securities Industry Council of Singapore

Section 330 of the SFA

Section 330 of the SFA provides that any person who, with intent to deceive, makes or furnishes, or knowingly and willfully authorises or permits the making or furnishing of, any false or misleading statement or report to a securities exchange, futures exchange, designated clearing house or any officers thereof relating to, inter alia, dealing in securities shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$50,000 or to imprisonment for a term not exceeding 2 years or to both. Section 330 further provides that any person who, with intent to deceive, makes or furnishes or knowingly and willfully authorises or permits the making or furnishing of, any false or misleading statement or report to the Securities Industry

Council or any of its officers relating to any matter or thing required by the Securities Industry Council in the exercise of its functions under the SFA shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$50,000 or to imprisonment for a term not exceeding 2 years or to both.

Obligation to Disclose Beneficial Interest in the Voting Shares of the Company

Section 92 of the Singapore Companies Act

Section 92 of the Singapore Companies Act provides that a company which has all of its shares listed on a stock exchange in Singapore may require any member to inform it whether the member holds the voting shares in the company as beneficial owner or trustee, and in the latter, who the beneficiaries are and the nature of their interest. If the member discloses that he is holding the shares on trust for another party, the company may additionally require the other party to inform it whether the other party holds the interests as beneficial owner or as trustee and if the latter, for whom and the nature of their interest. A listed company also has the right to require the member to inform it of any voting agreement that he may have in relation to the shares held by him.

Consequences of Non-compliance

Section 92 of the Singapore Companies Act

Sections 92(6) and 92(7) of the Singapore Companies Act provide that the failure to comply with a notice requiring disclosure of information is an offence, unless it can be shown that the information was already in the possession of the company or that the requirement to give it was frivolous or vexatious. A person who deliberately or recklessly makes a statement that is false in a material particular in compliance to a request for information under section 92 is also guilty of an offence, and is likewise liable on conviction to a fine not exceeding S\$10,000 or to imprisonment for a term not exceeding 2 years.

2. Prohibited Conduct in Relation to Trading in the Securities of the Company

Prohibitions against False Trading and Market Manipulation

Section 197 of the SFA

Section 197 of the SFA prohibits (i) the creation of a false or misleading appearance of active trading in any securities on a securities exchange; (ii) the creation of a false or misleading appearance with respect to the market for, or price of, any securities on a securities exchange; (iii) affecting the price of securities by way of purchases or sales which do not involve a change in the beneficial ownership of those securities; and (iv) affecting the price of securities by means of any fictitious transactions or devices.

Section 197(3) of the SFA provides that a person is deemed to have created a false or misleading appearance of active trading in securities on a securities market if he does any of the following acts:

- (i) if he effects, takes part in, is concerned in or carries out, directly or indirectly, any transaction of purchase or sale of any securities, which does not involve any change in the beneficial ownership of the securities;
- (ii) if he makes or causes to be made an offer to sell any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to purchase the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price; or
- (iii) if he makes or causes to be made an offer to purchase any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to sell the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price, unless he establishes that the purpose or purposes for which he did the act was not, or did not include, the purpose of creating a false or misleading appearance of active trading in securities on a securities market.

Section 197(5) of the SFA provides that a purchase or sale of securities does not involve a change in the beneficial ownership if a person who had an interest in the securities before the purchase or sale, or a person associated with the first-mentioned person in relation to those securities, has an interest in the securities after the purchase or sale.

Section 197(6) of the SFA provides a defence to proceedings against a person in relation to a purchase or sale of securities that did not involve a change in the beneficial ownership of those securities. It is a defence if the defendant establishes that the purpose or purposes for which he purchased or sold the securities was not, or did not include, the purpose of creating a false or misleading appearance with respect to the market for, or the price of, securities.

Prohibition against Securities Market Manipulation

Section 198 of the SFA

Section 198(1) of the SFA provides that no person shall carry out directly or indirectly, 2 or more transactions in securities of a corporation, being transactions that have, or likely to have, the effect of raising, lowering, maintaining or stabilising the price of the securities with intent to induce other persons to purchase them. Section 198(2) of the SFA provides that transactions in securities of a corporation includes (i) the making of an offer to purchase or

sell such securities of the corporation; and (ii) the making of an invitation, however expressed, that directly or indirectly invites a person to offer to purchase or sell such securities of the corporation.

Prohibition Against the Manipulation of the Market Price of Securities by the Dissemination of Misleading Information

Sections 199 and 202 of the SFA

Section 199 of the SFA prohibits the making of false or misleading statements. Under this provision, a person shall not make a statement, or disseminate information, that is false or misleading in a material particular and is likely (a) to induce other persons to subscribe for securities; (b) to induce the sale or purchase of securities by other persons; or (c) to have the effect of raising, lowering, maintaining or stabilising the market price of securities, if, when he makes the statement or disseminates the information, he either does not care whether the statement or information is true or false, or knows or ought reasonably to have known that the statement or information is false or misleading in a material particular.

Section 202 of the SFA prohibits the dissemination of information about illegal transactions. This provision prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will rise, fall or be maintained by reason of transactions entered into in contravention of sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements (i) is the person who entered into or purports to enter into the illegal transaction; or (ii) is associated with the person who entered into or purports to enter into the illegal transaction; or (iii) is the person, or associated with the person, who has received or expects to receive (whether directly or indirectly) any consideration or benefit of circulating or disseminating the information or statements.

Prohibition against Fraudulently Inducing Persons to Deal in Securities

Section 200 of the SFA

Section 200 of the SFA prohibits a person from inducing or attempting to induce another person to deal in securities, (a) by making or publishing any statement, promise or forecast that he knows or ought reasonably to have known to be misleading, false or deceptive; (b) by any dishonest concealment of material facts; (c) by the reckless making or publishing of any statement, promise or forecast that is misleading, false or deceptive; or (d) by recording or storing in, or by means of, any mechanical, electronic or other device information that he knows to be false or misleading in a material particular, unless it is established that, at the time when the defendant so recorded or stored the information, he had no reasonable grounds for expecting that the information would be available to any other person.

Prohibition against Employment of Manipulative and Deceptive Devices***Section 201 of the SFA***

Section 201 of the SFA prohibits (i) the employment of any device, scheme or artifice to defraud; (ii) engaging in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception, upon any person; (iii) making any statement known to be false in a material particular; or (iv) omitting to state a material fact necessary to make statements made not misleading, in connection with the subscription, purchase or sale of any securities.

Prohibition against the Dissemination of Information about Illegal Transactions***Section 202 of the SFA***

Section 202 of the SFA prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will rise, fall or be maintained by reason of any transaction entered into or to be entered into in contravention of sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements (i) is the person who entered or purports to enter into the illegal transaction; (ii) is associated with the person who entered into or purports to enter into the illegal transaction; or (iii) is the person, or associated with the person, who has received or expects to receive (whether directly or indirectly) any consideration or benefit of circulating or disseminating the information or statements.

Prohibition against Insider Trading***Sections 218 and 219 of the SFA***

Sections 218 and 219 of the SFA prohibit persons from dealing in the securities of a corporation if the person knows or reasonably ought to know that he is in possession of information that is not generally available, which is expected to have a material effect on the price or value of securities of that corporation. Such persons include substantial shareholders of a corporation or a related corporation, and persons who occupy a position reasonably expected to give him access to inside information by virtue of professional or business relationships by being an officer or a substantial shareholder of the corporation or a related corporation, or any other person in possession of inside information. For an alleged contravention of section 218 or 219, section 220 makes it clear that it is not necessary for the prosecution or plaintiff to prove that the accused person or defendant intended to use the information referred to in section 218(1)(a) or (1A)(a) or 219(1)(a) in contravention of section 218 or 219, as the case may be.

Section 216 of the SFA

Section 216 of the SFA provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the first-mentioned securities.

Penalties*Section 232 of the SFA*

Section 232 of the SFA provides that the Monetary Authority of Singapore may, with the consent of the Public Prosecutor, bring an action in a court against the offender to seek an order for a civil penalty in respect of any contravention. If the court is satisfied on the balance of probabilities that the contravention resulted in the gain of a profit or avoidance of a loss by the offender, the offender may have to pay a civil penalty of a sum (a) not exceeding 3 times the amount of the profit that the person gained; or the amount of the loss that he avoided, as a result of the contravention; or (b) equal to S\$50,000 if the person is not a corporation, or S\$100,000 if the person is a corporation, whichever is the greater. If the court is satisfied on a balance of probabilities that the contravention did not result in the gain of a profit or avoidance of a loss by the offender, the court may make an order against him for the payment of a civil penalty of a sum not less than S\$50,000 and not more than S\$2 million.

Section 204 of the SFA

Any person who contravenes sections 197, 198, 199, 200, 201 or 202 of the SFA is 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 7 years or to both under section 204 of the SFA. Section 204 of the SFA further provides that no proceedings shall be instituted against a person for the offence after a court has made an order against him for the payment of a civil penalty under section 232 in respect of the contravention.

Section 221 of the SFA

Any person who contravenes section 218 or 219 of the SFA, is 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 7 years or to both under section 221 of the SFA. Section 221 of the SFA further provides that no proceedings shall be instituted against a person for an offence in respect of a contravention of section 218 or 219 of the SFA after a court has made an order against him for the payment of a civil penalty under section 232 of the SFA in respect of that contravention.

3. Takeover Obligations

Offences and Obligations Relating to Take-overs

Section 140 of the SFA

Section 140 of the SFA provides that a person shall not give notice or publicly announce that he intends to make a take-over offer if (a) he has no intention to make a take-over offer; or (b) he has no reasonable or probable grounds for believing that he will be able to perform his obligations if the take-over offer is accepted or approved, as the case may be. A person who contravenes section 140 of the SFA is 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 7 years or to both.

Obligations under the Singapore Takeovers Code and the Consequences of Non-compliance

Obligations under 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 public companies. 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 voting shares of a public company, 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 voting shares of a public company, and if he (or parties acting in concert with him) acquires additional voting shares representing more than 1.0% of the voting shares of a public company 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 of a public company in accordance with the provisions of the Singapore Takeovers Code.

“Parties 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. Certain persons are presumed (unless the presumption is rebutted) to be acting in concert with each other. They are as follows:

- (a) 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;
- (b) 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);

- (c) a company and its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis;
- (e) a financial or other professional advisers and its clients in respect of shares held by the advisers and persons controlling, controlled by or under the same control as the advisers and all the funds managed by the advisers on a discretionary basis, where the shareholdings of the advisers and any of those funds in the client total 10.0% or more of the client's equity share capital;
- (f) 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;
- (g) partners; and
- (h) 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.

In the event that one of the abovementioned trigger-points is reached, the person acquiring an interest (the “**Offeror**”) must make a public announcement stating the terms of the offer and its identity. The Offeror must post an offer document not earlier than 14 days and not later than 21 days from the date of the offer announcement. An offer must be kept open for at least 28 days after the date on which the offer document was posted.

The Offeror may vary the offer by offering more for the shares or by extending the period in which the offer remains open. If a variation is proposed, the Offeror is required to give a written notice to the offeree company and its shareholders, stating the modifications made to the matters set out in the offer document. The revised offer must be kept open for at least another 14 days. Where the consideration is varied, shareholders who agree to sell before the variation are also entitled to receive the increased consideration.

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 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.

Consequences of Non-compliance with the Requirements under the Singapore Takeovers Code

The Singapore Takeovers Code is non-statutory in that it does not have the force of law. Therefore, as provided in section 139(8) of the SFA, a failure of any party concerned in a takeover offer or a matter connected therewith to observe any of the provisions of the Singapore Code shall not of itself render that party liable to criminal proceedings. However, the failure of any party to observe any of the provisions of the Singapore Takeovers Code may, in any civil or criminal proceedings, be relied upon by any party to the proceedings as tending to establish or to negate any liability which is in question in the proceedings.

Section 139 further provides that where the Securities Industry Council has reason to believe that any party concerned in a take-over offer or a matter connected therewith is in breach of the provisions of the Singapore Takeovers Code or is otherwise believed to have committed acts of misconduct in relation to such take-over offer or matter, the Securities Industry Council has power to enquire into the suspected breach or misconduct. The Securities Industry Council may summon any person to give evidence on oath or affirmation, which it is thereby authorised to administer, or produce any document or material necessary for the purpose of the enquiry.

4. Exchange Controls

There are no Singapore governmental laws, decrees, regulations or other legislation that may restrict the following:

- (a) the import or export of capital, including the availability of cash and cash equivalents for use by a company; and
- (b) the remittance of dividends, interest or other payments to non-resident holders of a company's securities.

5. Principal differences between the continuing obligations applicable to listed companies under the Listing Rules and the Listing Manual

In view of the dual primary listing status of the Company on both of the Stock Exchange and the SGX-ST after completion of the Listing, the Company will have to follow the Listing Rules and the Listing Manual. In the event of any conflict between them, the Company will have to comply with the more onerous rules, subject to approvals from the relevant stock exchange(s). The following table sets out the principal differences between the continuing obligations applicable to listed companies under the Listing Rules and the Listing Manual.

	Listing Rules	Listing Manual
1. Financial Reporting Obligations		
(A) Annual reports*	Rule 13.46 of the Listing Rules	Rule 707 of the Listing Manual
	<p>A listed company shall send to (i) every member of the listed company; and (ii) every other holders of its listed securities (not being bearer securities), a copy of either (a) its annual report including its annual accounts and, where the listed company prepares group accounts, its group accounts, together with a copy of the auditors' report thereon, or (b) its summary financial report, not less than 21 days before the date of the listed company's annual general meeting and in any event not more than four months after the end of the financial year to which they relate.</p>	<p>(1) The time between the end of a listed company's financial year and the date of its annual general meeting (if any) must not exceed four months.</p> <p>(2) A listed company must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.</p>

(B) Preliminary results announcements for full financial year*	<p>Rule 13.49(1) of the Listing Rules</p> <p>A listed company 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 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 listed company must publish such results:</p> <p>(a) for annual accounting periods ending before December 31, 2010 – not later than four months after the end of the financial year; and</p> <p>(b) for annual accounting periods ending on or after December 31, 2010 – not later than three months after the end of the financial year.</p>	<p>Rule 705(1) of the Listing Manual</p> <p>A listed company must announce the financial statements for the full financial year immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.</p>
(C) Interim reports**	<p>Rule 13.48(1) of the Listing Rules</p> <p>In respect of the first six months of each financial year of a listed company unless that financial year is of six months or less, the listed company shall send to (i) every member of the listed company; 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 months after the end of that period of six months.</p>	<p>No requirements on sending an interim report to the shareholders.</p>

(D) Preliminary result announcements for first half of financial year*	Rule 13.49(6) of the Listing Rules	Rule 705(2) of the Listing Manual
	A listed company shall publish a preliminary announcement in respect of its results for the first six months of each financial year, unless that financial year is of six 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 listed company must publish such results (a) half-year accounting periods ending before 30 June 2010 – not later than three months after the end of that period of six months; (b) for half-year accounting periods ending on or after 30 June 2010 – not later than two months after the end of that period of six months.	A listed company must announce the financial statements for each of the first three 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: <ul style="list-style-type: none"> (a) its market capitalization exceeded S\$75 million as of March 31, 2003; or (b) it was listed after March 31, 2003 and its market capitalization exceeded S\$75 million at the time of listing (based on the IPO issue price); or (c) its market capitalization is S\$75 million or higher on the last trading day of each calendar year commencing from December 31, 2006. A listed company whose obligation falls within this sub-section (c) will have a grace period of a year to prepare for quarterly reporting.
(E) Quarterly financial results*	Information disclosed pursuant to the Listing Manual in Singapore will be simultaneously disclosed in Hong Kong as required under Rule 13.09(2) of the Listing Rules.	Same as the requirements under Rule 705(2) of the Listing Manual as set out above.

2. *Disclosure Obligations*

(A) Notifiable transactions*	Chapter 14 of the Listing Rules	Chapter 10 of the Listing Manual
	Under Chapter 14 of the Listing Rules, the transactions are classified in accordance with the percentage ratio set out in Rule 14.07 of the Listing Rules as:	Rule 1004, Listing Manual Transactions are classified into the following categories:-
	(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%	(a) Non-Discloseable Transactions, (b) Discloseable Transactions, (c) Major Transactions; and (d) Very Substantial Acquisitions or Reverse Takeovers.
	(2) disclosable transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 5% or more, but less than 25%;	Rule 1005, Listing Manual In determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004, the Exchange may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction.
	(3) major transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 25% or more, but less than 100% for an acquisition or 75% for a disposal;	

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| (4) | very substantial disposal: a disposal or a series of disposals of assets by a listed issuer where any percentage ratio is 75% or more; | Rule 1006, Listing Manual

A transaction may fall into category (a), (b), (c) or (d) of Rule 1004 depending on the size of the relative figures computed on the following bases:- |
| (5) | very substantial acquisition: an acquisition or a series of acquisitions of assets by a listed issuer where any percentage ratio is 100% or more; | (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. |
| (6) | reverse takeover: an acquisition or a series of acquisitions of assets by a listed issuer which, in the opinion of the Stock Exchange, 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 Listing Rules. | (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. |

As soon as possible after the terms of a share transaction, disclosable transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover have been finalized, the listed company must in each case (1) inform the Stock Exchange; and (2) publish an announcement in accordance with Rule 2.07C of the Listing Rules.

For a major transaction, very substantial disposal, very substantial acquisition or reverse takeover, the listed company must send to its shareholders and the Stock Exchange a circular containing the information as required under Chapter 14 of the Listing Rules.	Rule 1007, Listing Manual
With respect to a major transaction for acquisitions of businesses and/ or companies, and very substantial acquisition and reverse takeover, the listed company shall provide an accountants' report for the 3 preceding financial years on the business, company or companies being acquired.	(1) If any of the relative figures computed pursuant to Rule 1006 is a negative figure, Chapter 10 of the Listing Manual may still be applicable to the transaction at the discretion of the SGX-ST, and issuers should consult the SGX-ST.
With respect to a very substantial disposal of a business or company, the listed issuer may provide financial information reviewed by its auditors or an accountants' report for the 3 preceding financial years on the business or company being disposed of.	(2) Where the disposal of an issuer's interest in a subsidiary is undertaken in conjunction with an issue of shares by that subsidiary, the relative figures in Rule 1006 must be computed based on the disposal and the issue of shares.
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 Stock Exchange are required for reverse takeover.	Summarily, transactions are categorised as follows:- <ul style="list-style-type: none"> • Non-Discloseable Transaction: Where all of the relative figures in Rule 1006 is 5% or less • Discloseable Transaction: Where any of the relative figures in Rule 1006 exceeds 5% but does not exceed 20%

- Major Transaction: Where any of the relative figures in Rule 1006 exceeds 20%
- Very Substantial Acquisition or Reverse Takeover: Where any of the relative figures in Rule 1006 is 100% or more, or where there is a change in control of the issuer

Rule 1008(1), Listing Manual

Where a transaction is classified as a Non-Disclosable Transaction, unless Rule 703, 905 or 1009 of the Listing Manual applies, no announcement of the transaction is required.

Rule 1009, Listing Manual

If the consideration is satisfied wholly or partly in securities for which listing is being sought, the issuer must announce the transaction as soon as possible after the terms have been agreed, stating the information set out in Chapter 10 Part VI of the Listing Manual.

**Rule 1010, Rule 1014(1) and
Rule 1015(1), Listing Manual**

Where a transaction is classified as a Discloseable Transaction, Major Transaction or Very Substantial Acquisition/ Reverse Takeover, the Company must make an immediate announcement, which includes the details prescribed in Rule 1010 of the Listing Manual (as set out below).

- (1) Particulars of the assets acquired or disposed of, including the name of any company or business, where applicable;
- (2) A description of the trade carried on, if any;
- (3) The aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment;
- (4) Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof;

- (5) The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation;
- (6) In the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds. In the case of an acquisition, the source(s) of funds for the acquisition;
- (7) The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal;
- (8) The effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year;

- (9) The effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year;
- (10) The rationale for the transaction including the benefits which are expected to accrue to the issuer as a result of the transaction;
- (11) Whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests;
- (12) Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction; and
- (13) The relative figures that were computed on the bases set out in Rule 1006.

**Rule 1014(2) and Rule 1015(2)
of the Listing Manual**

Further, transactions that are Major Transactions or Very Substantial Acquisitions/ Reverse Takeovers are subject to the prior approval of shareholders. A circular to shareholders will need to be distributed to seek such approval. The disclosures required to be made in such circular for these types of transactions are prescribed in the Listing Manual.

**Rule 1014(2) and Rule 1015(2)
of the Listing Manual**

Further, transactions that are Major Transactions or Very Substantial Acquisitions/ Reverse Takeovers are subject to the prior approval of shareholders. A circular to shareholders will need to be distributed to seek such approval. The disclosures required to be made in such circular for these types of transactions are prescribed in the Listing Manual.

**Rule 1015(1)(b) and Rule
1015(2) of the Listing Manual**

For transactions that are Very Substantial Acquisitions or Reverse Takeovers, the issuer must also announce, inter alia, the latest three years of proforma financial information of the assets to be acquired and obtain the approval of shareholders and approval of the SGX-ST.

The enlarged group must also comply with the requirements in Rule 1015(3) of the Listing Manual.

(A) Connected
transactions**

**Chapter 14A of the Listing
Rules**

A listed company must publicly disclose a transaction entered into between the listed company or one of its subsidiaries and a connected person. Generally, a public announcement, a circular and/or independent shareholder approval are required unless one of the de minimis or other exemptions set out below apply.

**Chapter 9 of the Listing
Manual**

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

The term ‘connected person’ is very widely defined under the Listing Rules and include directors, chief executive, substantial shareholders (i.e. shareholders interested in 10% or more of the voting power in the listed company or any of its subsidiaries), associates (as defined under the Listing Rules) of directors, chief executive or substantial shareholders, non-wholly-owned subsidiaries of the listed company held by a connected person at the listed company level as to 10% or more of its voting power and its subsidiaries.

Connected transactions or continuing connected transactions exempt from the reporting, announcement and independent shareholders’ approval requirements:

A connected transaction or continuing connected transaction on normal commercial terms will be considered as de minimis transaction if each or all of the percentage ratios (other than the profits ratio) is/are (a) less than 0.1%; or (b) less than 1% and the transaction is a connected transaction only because it involves a person who is a connected person of the listed company by virtue of its/his relationship(s) with the listed company’s subsidiary or subsidiaries; or (c) less than 5% and the total consideration is less than HK\$1 million, such connected transaction will be exempt from all the reporting, announcement and independent shareholders’ approval requirements.

Rule 904, Listing Manual

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 this Chapter.
- (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.

Connected transactions exempt from the independent shareholders' approval requirements:

A connected transaction or continuing connected transaction on normal commercial terms where (a) each of the percentage ratios (other than the profits ratio) is less than 5%; or (b) each of the percentage ratios (other than the profits ratio) is less than 25% and the total consideration is less than HK\$10 million, then such transaction is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements.

Exemptions

The following connected transactions are not required to comply with the reporting, announcement and independent shareholders approval requirements:

- (1) intra-group transactions;
- (2) de minimis transactions;
- (3) issue of new securities under circumstances specified in Rule 14A.31(3) of the Listing Rules;

(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) In the case of a company, **“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.

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| <p>(4) stock exchange dealings under circumstances specified in Rule 14A.31(4) of the Listing Rules;</p> | <p>(5) “interested person transaction” means a transaction between an entity at risk and an interested person.</p> |
| <p>(5) purchase of own securities under circumstances specified in Rule 14A.31(5) of the Listing Rules;</p> | <p>(6) “transaction” includes:-</p> <ul style="list-style-type: none"> (a) the provision or receipt of financial assistance; |
| <p>(6) directors’ service contracts for less than 3 years and requiring not more than one year’s notice to terminate;</p> | <ul style="list-style-type: none"> (b) the acquisition, disposal or leasing of assets; (c) the provision or receipt of services; |
| <p>(7) consumer goods or consumer services under circumstances specified in Rule 14A.31(7) of the Listing Rules;</p> | <ul style="list-style-type: none"> (d) the issuance or subscription of securities; |
| <p>(8) sharing of administrative services under circumstances specified in Rule 14A.31(8) of the Listing Rules;</p> | <ul style="list-style-type: none"> (e) the granting of or being granted options; and (f) the establishment of joint ventures or joint investments; |
| <p>(9) transactions with persons connected at the level of subsidiaries under circumstances specified in Rule 14A.31(9) of the Listing Rules; and</p> | <p>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).</p> |
| <p>(10) transactions with associates of a passive investor under circumstances specified in Rule 14A.31(10) of the Listing Rules.</p> | |

The following continuing connected transactions are not required to comply with the reporting, annual review, announcement and independent shareholders' approval requirements:	When Announcement required
<p>(1) consumer goods or consumer services under circumstances specified in Rule 14A.31(7) of the Listing Rules;</p> <p>(2) sharing of administrative services under circumstances specified in Rule 14A.31(8) of the Listing Rules;</p> <p>(3) de minimis transactions;</p> <p>(4) transactions with persons connected at the level of subsidiaries under circumstances specified in Rule 14A.31(9) of the Listing Rules; and</p> <p>(5) transactions with associates of a passive investor under circumstances specified in Rule 14A.31(10) of the Listing Rules.</p>	<p>Rule 905, Listing Manual</p> <p>(1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets.</p> <p>(2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% 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.</p> <p>(3) Rule 905(1) and (2) does not apply to any transaction below \$100,000.</p>

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

- (1) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:–
 - (a) 5% of the group's latest audited net tangible assets; or
 - (b) 5% 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.

3. *Issuance Of Shares And Shares Repurchase Requirements*

(A) General mandate to issue shares**	Rule 13.36(2)(b) of the Listing Rules	Rule 806(2) of the Listing Manual
	<p>The existing shareholders of the listed company may by an ordinary resolution in general meeting give a general mandate to the directors of the listed company to issue new shares which shall be subject to a restriction that the aggregate number of securities allotted or agreed to be allotted under the general mandate must not exceed the aggregate of 20% of the existing issued share capital of the listed company plus the number of such securities repurchased by the listed company itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the existing issued share capital of the listed company), provided that the existing shareholders of the listed company have by a separate ordinary resolution in general meeting given a general mandate to the directors of the listed company to add such repurchased securities to the 20% general mandate.</p>	<p>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% 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% of the total number of issued shares excluding treasury shares. Unless prior shareholder approval is required under the Listing Manual, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.</p>

Rule 13.36(3) of the Listing Rules

A general mandate given under rule 13.36(2) of the Listing Rules shall only continue in force until the earlier of (a) the conclusion of the first annual general meeting of the listed company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; and (b) revoked or varied by an ordinary resolution of the shareholders in general meeting.

Rule 13.36(5) of the Listing Rules

In case of a placing of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given by its shareholders if the relevant price represents a discount of 20% or more to the benchmarked price of the securities prescribed under the Listing Rules, unless the Stock Exchange is satisfied that the issuer is in a serious financial position and the only way that it can be saved is by an urgent rescue operation, or that there are other exceptional circumstances.

Rule 806(6), SGX Listing Manual

A general mandate may remain in force until the earlier of (a) the conclusion of the first annual general meeting of the listed company 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 resolution of the shareholders in general meeting.

Rule 811, Listing Manual

- (1) An issue of shares must not be priced at more than 10% 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.

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| <p>Such benchmarked price shall be the higher of:</p> <p>(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</p> <p>(b) the average closing price in the 5 trading days immediately prior to the earlier of:</p> <p style="padding-left: 20px;">(i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate;</p> <p style="padding-left: 20px;">(ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate; and</p> <p style="padding-left: 20px;">(iii) the date on which the placing or subscription price is fixed.</p> | <p>(2) An issue of company warrants or other convertible securities is subject to the following requirements:</p> <p style="padding-left: 20px;">(a) if the conversion price is fixed, the price must not be more than 10% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement.</p> <p style="padding-left: 20px;">(b) if the conversion price is based on a formula, any discount in the pricefixing formula must not be more than 10% of the prevailing market price of the underlying shares before conversion.</p> <p style="padding-left: 20px;">(3) Rule 811(1) and (2) is not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.</p> |
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		<p>(4) Where specific shareholders' approval is sought, the circular must include the following:</p> <p>(a) information required under Rule 810 of the Listing Manual; and</p> <p>(b) the basis upon which the discount was determined.</p>
(B) Repurchase mandate**	<p>Rule 10.05 of the Listing Rules</p> <p>Subject to the provisions of the Hong Kong Code on Share Repurchases, a listed company may purchase on the Stock Exchange or on another stock exchange recognized for this purpose by the SFC and the Stock Exchange up to 10% of its total issued shares as at the date of the shareholders' resolution granting the general mandate to repurchase shares. All such purchases must be made in accordance with Rule 10.06 of the Listing Rules. The Hong Kong Code on Share Repurchases must be complied with by a listed company and its directors and any breach thereof by a listed company will be a deemed breach of the Listing Rules and the Stock Exchange may in its absolute discretion take such action to penalize any breach of this Rule 10.05 or the listing agreement as it shall think appropriate. It is for the listed company to satisfy itself that a proposed purchase of shares does not contravene the Hong Kong Code on Share Repurchases.</p>	<p>Rule 882 of the Listing Manual</p> <p>A share buy-back may only be made on the SGX-ST or on another stock exchange on which the listed company's securities are listed ("Market Acquisitions") 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.</p> <p>Rule 881 of the Listing Manual</p> <p>A listed company may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting.</p>

	Rule 10.06(2) of the Listing Rules	Rule 884 of the Listing Manual
	A listed company shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the 5 preceding trading days on which its shares were traded on the Stock Exchange; and a listed company shall not purchase its shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.	In the case of a Market Acquisition, the purchase price must be at a price which is not more than 5% of the Average Closing Price. The term "Average Closing Price" means the average of the closing market prices of a share over the last 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.
(C) Minimum public float**	Rule 8.08 of the Listing Rules	Rule 723 of the Listing Manual
	There must be an open market in the securities for which listing is sought. This will normally mean at least 25% of the listed company's total issued share capital must at all times be held by the public, although if the market capitalization of the company is over HK\$10 billion, the Stock Exchange may accept a percentage of between 15% and 25%. In addition, there must be a minimum of 300 public shareholders and not more than 50% of the shares in public hands at the time of listing can be beneficially owned by the three largest public shareholders save for circumstances specified in Rule 8.08(3) of the Listing Rules.	A listed company must ensure that at least 10% 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.

(D) Share option scheme**	Chapter 17 of the Listing Rules	Rules 843 to 861 of the Listing Manual
	<p>The share option scheme of a listed company or any of its subsidiaries must be approved by shareholders of the listed company in general meeting. 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% of the relevant class of securities of the listed company (or the subsidiary) in issue as of 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% limit. 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% of the relevant class of securities of the listed company (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the listed company (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 must not be more than 10 years from the date of grant of the option, and the life of the scheme must not be more than 10 years.</p>	<p>Rule 843(3) of the Listing Manual</p> <p>The approval of a listed company's shareholders must be obtained for any share option scheme or share scheme implemented by the listed company or its principal subsidiaries.</p> <p>Rule 845 of the Listing Manual</p> <p>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 the companies listed on the main board of the SGX-ST, the following limits must not be exceeded:</p>

- The exercise price must be at least the higher of: (i) the closing price of the securities as stated in the Stock Exchange'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 the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant. For the purpose of calculating the exercise price where a listed company has been listed for less than five business days, the new issue price shall be used as the closing price for any business day falling within the period before listing.
- In addition to the shareholders' approval, each grant of options to a director, chief executive or substantial shareholder of a listed company, or any of their respective associates, under a scheme of the listed company or any of its subsidiaries must comply with the requirements of Rule 17.04(1) of the Listing Rules. Each grant of options to any of these persons must be approved by independent non-executive directors of the listed company (excluding independent non-executive director who is the grantee of the options).
- (1) the aggregate number of shares available under all schemes must not exceed 15% of the total number of issued shares excluding treasury shares from time to time;
 - (2) the aggregate number of shares available to controlling shareholders and their associates must not exceed 25% of the shares available under a scheme;
 - (3) the number of shares available to each controlling shareholder or his associate must not exceed 10% of the shares available under a scheme;
 - (4) the aggregate number of shares available to directors and employees of the listed company's parent company and its subsidiaries must not exceed 20% of the shares available under a scheme; and
 - (5) the maximum discount under the scheme must not exceed 20%. The discount must have been approved by shareholders in a separate resolution.

Where any grant of options to a substantial shareholder or an independent non-executive director of the listed company, 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 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 Stock Exchange), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by shareholders of the listed company.

The listed company must send a circular to the shareholders. All connected persons of the listed company must abstain from voting in favor at such general meeting.

Rule 847 of the Listing Manual

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

4. Other Obligations

(A) Disclosure of interest*	<p>The Listing Rules require that the interests held by directors and chief executives and substantial shareholders (i.e. shareholders interested in 10% or more of the voting power) be disclosed in annual reports, interim reports and circulars of the listed company.</p>	Rule 704(3) of the Listing Manual
	<p>The SFO provides that a substantial shareholder (i.e. shareholder interested in 5% 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 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 business days after becoming aware of the relevant events.</p>	<p>A listed company must immediately announce any notice of substantial shareholders' and directors' interests in the listed company's securities or changes thereof received by the listed company. Such notice must contain the particulars as set out in Appendix 7.3 of the Listing Manual.</p>
	<p>The above changes in percentage figures of shareholdings refer to an increase or decrease in the percentage level of the holding of a substantial shareholder in the listed company that results in his interest crossing over a whole percentage number which is above 5%.</p>	<p>Sections 81 to 84 of the Singapore Companies Act and section 137 of the SFA</p>
		<p>Section 81 of the Singapore Companies Act</p>
		<p>A person has a substantial shareholding in a company if he has an "interest" in voting shares in the company, and the total votes attached to those shares is not less than 5 per cent of the total votes attached to all the voting shares in the company.</p>
		<p>Section 83(1) of the Singapore Companies Act</p>
		<p>A substantial shareholder is required to notify the company and the SGX-ST of changes in the "percentage level" of his shareholding or his ceasing to be a substantial shareholder, again within two business days after becoming a substantial shareholder or aware of such changes.</p>

For example, the interest of a substantial shareholder increases from 6.8% to 7.1% which crosses over 7%, then he is required to submit the notifications; but if his interest increases from 6.1% to 6.9%, he is not required to make notification. To work out the “percentage level” of the interest, a substantial shareholder simply rounds down the percentage figure of his interest to the next whole number.

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 business days after becoming a director or chief executives of the listed company or within three business days after becoming aware of the relevant event.

Section 83(3) of the Singapore Companies Act

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% 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 165 and 166 of the Singapore Companies Act

A director of a listed company is required to notify the listed company and the SGX-ST within two business days after the date on which he became a director or the date on which he became a registered holder or acquired an interest in the shares, debentures, participatory interests, rights, options or contracts.

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% level.

(B) Continuing obligations***	Chapter 13 of the Listing Rules sets out the continuing obligations of a listed company to disclose information.	Chapter 7 of the Listing Manual sets out the continuing obligation of a listed company to disclose material information.
(C) Board composition and other committees**	<p>Rules 3.10 and 8.12 of the Listing Rules</p> <p>Every board of directors of a listed company must include at least three independent non-executive directors. A new applicant applying for a primary listing on the Stock Exchange must have sufficient management presence in Hong Kong, which normally means to have at least two of its executive directors be ordinarily resident of Hong Kong.</p>	<p>Rule 720 of the Listing Manual</p> <p>Foreign listed companies are required to have at least two independent directors who are Singapore residents on the Board of Directors on a continuing basis, and not just on listing.</p> <p>Rule 11 of the Code of Corporate Governance (“COCG”)</p> <p>The board or directors should establish an audit committee with written terms of reference which clearly set out its authority and duties.</p>

Rules 3.21, 3.22 and paragraph C.3 of Appendix 14 of the Listing Rules

Every listed company must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise. The board of directors of the listed company must approve and provide written terms of reference for the audit committee.

Rule 3.25 & paragraph B.1 of Appendix 14 of the Listing Rules

It is a recommended best practice that listed companies should establish a remuneration committee with specific written terms of reference. A majority of the members of the remuneration committee should be independent non-executive directors.

Rule 11.1 of COCG

The audit committee should comprise at least three directors, all non-executive, the majority of whom including the chairman should be independent.

Rule 11.2 of COCG

The board of directors should ensure that at least 2 members of the audit committee should have accounting or related financial management expertise or experience.

Rule 7.1 of COCG

The board of directors should set up a remuneration committee comprising entirely of nonexecutive directors, the majority of whom, including the chairman should be independent.

Rule 4.1 of COCG

Companies should establish a nominating committee to make recommendations to the board on all board appointments. The nomination committee should comprise at least 3 directors, a majority of whom, including the chairman should be independent.

In addition, the chairman of the nomination committee should be a director who is not, or who is not directly associated with a substantial shareholder (with interest of 5% or more in the voting shares of the company).

* represents the Listing Manual generally has more onerous requirements.

** represents the Listing Rules generally has more onerous requirements.

*** represents the Listing Manual and the Listing Rules generally have similar requirements.