



HWA HONG CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 195200130C)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 2 APRIL 2007

IN RELATION TO

- (1) THE PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION; AND**
 - (2) THE RENEWAL OF THE SHARE PURCHASE MANDATE**
-

TABLE OF CONTENTS

DEFINITIONS	3
1. INTRODUCTION	5
2. THE PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION	5
3. THE PROPOSED SHARE PURCHASE MANDATE	14
4. DIRECTORS' RECOMMENDATION	30
5. DIRECTORS' RESPONSIBILITY STATEMENT	30
ANNEX A – PROPOSED NEW MEMORANDUM AND ARTICLES OF ASSOCIATION	31

DEFINITIONS

In this Appendix, the following definitions shall apply throughout unless the context otherwise requires:

“AGM”	:	Annual general meeting of the Company
“Appendix”	:	This Appendix to the Notice of AGM dated 2 April 2007 convening the 54 th AGM to be held on 25 April 2007
“Articles”	:	The Articles of Association of the Company
“Board”	:	The board of Directors of the Company as at the Latest Practicable Date
“CDP”	:	The Central Depository (Pte) Limited
“Code of Corporate Governance”	:	The Code of Corporate Governance issued by the Corporate Governance Committee, as amended or modified from time to time
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Companies (Amendment) Act 2004”	:	The Companies (Amendment) Act 2004 of Singapore
“Companies (Amendment) Act 2005”	:	The Companies (Amendment) Act 2005 of Singapore
“Company”	:	Hwa Hong Corporation Limited
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	16 March 2007, being the latest practicable date prior to the printing of this Appendix
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Listing Rules”	:	The rules of the SGX-ST as set out in the Listing Manual
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Memorandum”	:	The Memorandum of Association of the Company
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Purchase Mandate”	:	The mandate to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of such mandate

“Shareholders”	:	Persons who are registered as holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers
“S\$” or “\$” and “cents”	:	Singapore dollars and cents, respectively
“%” or “per cent.”	:	Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

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

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual, the Take-over Code or any modification thereof and used in this Appendix shall have the meaning assigned to it under the Companies Act, the Listing Manual, the Take-over Code or any modification thereof, as the case may be, and unless otherwise provided.

Any reference to a time of day and date in this Appendix is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Appendix is a reference to S\$ unless otherwise stated.

Any discrepancies in figures included in this Appendix between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

HWA HONG CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 195200130C)

Board of Directors

Hans Hugh Miller (*Chairman*)
Ong Choo Eng (*Group Managing Director*)
Ong Mui Eng
Ong Hian Eng
Guan Meng Kuan
Chew Loy Kiat
Goh Kian Hwee
Boon Suan Lee
Ma Kah Woh, Paul
Wee Sin Tho
Ong Eng Loke (*Alternate Director to Ong Mui Eng*)

Registered Office:

38 South Bridge Road
Singapore 058672

2 April 2007

To: The Shareholders of **HWA HONG CORPORATION LIMITED**

Dear Shareholders

1. INTRODUCTION

We refer to the Notice convening the 54th AGM of the Company to be held on 25 April 2007 and the following proposed Resolutions set out in the Notice:

- (a) Resolution 10 (to be passed as a Special Resolution) in relation to the proposed adoption of the new Memorandum;
- (b) Resolution 11 (to be passed as a Special Resolution) in relation to the proposed adoption of the new Articles; and
- (c) Resolution 15 (to be passed as an Ordinary Resolution) in relation to the proposed renewal of the Share Purchase Mandate.

The purpose of this Appendix is to explain the rationale for, and to provide Shareholders with information relating to, the above-mentioned proposals to be tabled at the AGM.

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

2. THE PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

2.1 The Companies (Amendment) Act 2005

The Companies (Amendment) Act 2005, which came into operation on 30 January 2006, introduced key amendments to the Companies Act resulting in significant changes to the company law regime. These amendments include the abolition of the concepts of par value and authorised capital, and provisions for repurchased shares to be held as treasury shares.

With the abolition of the concept of par value pursuant to the Companies (Amendment) Act 2005, shares of a company no longer have any par or nominal value. The concepts of share premium and the issue of shares at a discount have also been abolished accordingly. All amounts standing to the credit of a company's share premium account and capital redemption reserves (if any) as at 30 January 2006 would become part of the company's share capital.

The Companies (Amendment) Act 2005 also introduced new provisions on share buy backs and treasury shares. Under these new provisions, a company can repurchase shares out of capital, as well as from distributable profits. Ordinary shares which are the subject of a share repurchase by a company can be held by that company as treasury shares instead of being cancelled. The right to attend and vote at meetings and the right to dividends or other distributions will be suspended for so long as the repurchased shares are held in treasury.

2.2 Adoption of New Memorandum

Prior to the Companies (Amendment) Act 2004, it was a requirement that the memorandum of association of every company must contain an objects clause. An objects clause sets out the purposes for which a company is in business and what it is empowered to do.

Accordingly, clause 3 of the Company's Memorandum provides an extensive list of activities in which the Company has the capacity or power to engage. The Company may only act within the scope of the objects stated in clause 3 of the Memorandum.

When objects clauses were drafted, it was exceptionally difficult for the draftsmen to describe with clarity each and every activity in which a company might become involved, hence such clauses are generally very lengthy and drafted very widely. However, as it was impossible to cover every eventuality and foresee all future developments, the very presence of an objects clause in the memorandum of association of a company may in certain cases limit the company's power to act in a particular way or to engage in a particular transaction.

To eradicate the uncertainty surrounding a company's power to act, amendments were made to the Companies Act pursuant to the Companies (Amendment) Act 2004. Section 22(1) of the Companies Act was amended so that it is no longer necessary to state the objects of the company in its memorandum of association. In addition, Section 23(1) of the Companies Act was amended to provide that a company has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, subject to the provisions of the Companies Act, any other written law and its memorandum and articles of association. Accordingly, it is proposed that the objects clause in the existing Memorandum be deleted from the new Memorandum to be adopted.

In line with the abolition of the concepts of par value and authorised capital pursuant to the Companies (Amendment) Act 2005, there is no longer a requirement for the memorandum of a company to state the amount of share capital, if any, which the company proposes to be registered and the division thereof into shares of a fixed amount. Accordingly, it is proposed that clause 5 of the existing Memorandum, which provides for the share capital of the Company and the division thereof into shares of a fixed amount, be deleted.

As substantial amendments are being made to the existing Memorandum, it is proposed that a new set of Memorandum be adopted instead of amending the existing Memorandum. A copy of the new Memorandum to be adopted is set out in Annex A to this Appendix.

2.3 Adoption of New Articles

Since the Company last amended its Articles on 7 November 2003, numerous amendments have been made to the Companies Act and Listing Manual. The Company has undertaken a review of the existing Articles (the "**Existing Articles**") and proposes that certain amendments be made to the Existing Articles to take into account, *inter alia*, (i) the changes to the Companies Act, in particular, the Companies (Amendment) Act 2005, (ii) the prevailing Listing Rules, and (iii) the Code of Corporate Governance. The Company is also taking this opportunity to streamline and rationalise certain other provisions in the Existing Articles. As substantial amendments are being made to the Existing Articles, it is proposed that a new set of Articles (the "**New Articles**") be adopted instead of amending the Existing Articles.

A summary of the material differences between the Existing Articles and the New Articles is set out in Section 2.4 below. Shareholders should refer to the complete text of the New Articles set out in Annex A to this Appendix for full details of the proposed New Articles.

2.4 Summary of Material Differences between the Existing Articles and the New Articles

2.4.1 *Interpretation Clause*

Existing Article 2 is proposed to be replaced with New Article 2 which:

- (a) replaces the definition of “Exchange” as “The Stock Exchange of Singapore Limited” with “The Singapore Exchange Securities Trading Limited and where applicable, its successors in title” to reflect the change of name of the entity responsible for operating the stock exchange in Singapore following the merger of The Stock Exchange of Singapore Limited and the Singapore International Monetary Exchange Limited into The Singapore Exchange Limited on 1 December 1999;
- (b) provides that the expression “treasury shares” is to have the meaning ascribed to it in the Companies Act, namely, shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Companies Act applies, and have been held by the Company continuously since the treasury shares were so purchased; and
- (c) amends references to “Member”, “holder of any share”, or “shareholder” to provide that a member of the Company does not include the Company itself where the Company is such a member by virtue of its holding shares as treasury shares.

2.4.2 *Removal of References to Par or Nominal Value and Authorised Capital*

Following the abolition of the concepts of par or nominal value under the Companies (Amendment) Act 2005, references to “par value”, “nominal value”, “denomination”, “authorised capital”, “discount”, “premium”, “capital redemption reserve fund” and “share premium account” in several Existing Articles have been excluded from the New Articles, namely, Existing Articles 4 (New Article 3), 23 (New Article 27), 27 (New Article 31), 56 (New Article 61), 57 (New Article 62), 58 (New Article 63) and 60 (New Article 65).

It is also proposed that the following Existing Articles be deleted:

- (a) Existing Article 3 which states the authorised share capital of the Company;
- (b) Existing Article 5(a) which provides that no shares may be issued at a discount except in accordance with the Companies Act;
- (c) Existing Article 61 which provides for the increase of authorised share capital of the Company; and
- (d) Existing Article 85A which relates to voting rights in respect of shares of different monetary denominations.

2.4.3 *General Mandate to Issue Shares*

Existing Article 5 provides that subject to the Companies Act and the Articles, all shares shall be under the absolute control of the Company in general meeting but subject thereto, the Directors may allot, grant options over or otherwise dispose of the same to such persons on such terms and conditions, for such consideration, at such time and subject to the payment of any of the amount thereof in cash and at a premium or otherwise as the Directors shall determine. It is proposed that Existing Article 5 be replaced with New Article 8 with drafting changes made to provide that:

- (a) subject to the Companies Act and the Articles, no shares may be issued by the Directors without the prior approval of the Company in general meeting, so as to be consistent with Section 161 of the Companies Act; and
- (b) the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same subject or not to any consideration being given, including the payment of any part of the amount thereof in cash as the Directors shall determine, so as to clarify that the Directors may issue shares for no consideration.

Existing Article 5A provides that the Company may authorise the Director to exercise any power of the Company to issue shares, such authority being confined to a particular exercise of that power or generally. New Article 9, which replaces Existing Article 5A, clarifies that the Company may by ordinary resolution authorise the Directors to issue shares whether by way of rights, bonus or otherwise and to make or grant offers, agreements or options that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares while the authority is in force.

2.4.4 Commission on Subscription of Shares

Existing Article 6 provides that the Company may exercise the powers of paying commissions subject to the provisions of the Companies Act. Section 67 of the Companies Act relating to the power to pay commissions has been repealed pursuant to the Companies (Amendment) Act 2005. However, as the Company may nevertheless retain a power to pay commissions or brokerage under the Articles, it is proposed that New Article 10 (which replaces Existing Article 6) provides that the Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit.

2.4.5 Financial Assistance

Existing Article 7 prohibits the Company from giving financial assistance for the acquisition of its shares unless it is permitted by law. It is proposed that Existing Article 7 be replaced by New Article 5 which is drafted so as to be consistent with the wording in the Companies Act.

2.4.6 Treasury Shares

New Article 7 is proposed to be inserted following the introduction of the concept of treasury shares. New Article 7 provides that the Company may not exercise any rights in respect of treasury shares other than as provided by the Companies Act but that subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act.

2.4.7 Share Certificates

Existing Article 11 deals with the issue of share certificates. New Article 16, which replaces Existing Article 11 reflects the current time-line for the issuance and delivery of share certificates prescribed by the Listing Rules (i.e. ten Market Days after the date of lodgement of a registrable transfer instead of 15 Market Days as provided in Existing Article 11).

Existing Article 11A deals with the authentication of share certificates. This Article is proposed to be replaced by New Article 17 which provides that each certificate is to specify the number and class of shares to which it relates and the amounts paid on the shares, the amount (if any) unpaid on the shares and to the extent to which the shares are paid up, so as to be in line with Section 123 of the Companies Act as amended pursuant to the Companies (Amendment) Act 2005.

It is proposed that Existing Article 12, which deals with the replacement of share certificates, be replaced with New Article 18 which revises the fee payable for the issuance of a replacement share certificate from \$1.00 to \$2.00 in line with the current requirements of Section 125 of the Companies Act and paragraph 1(g) of Appendix 2.2 to the Listing Manual.

2.4.8 Restriction on Issue of Shares to Transfer a Controlling Interest

Existing Article 15 provides that no Shares shall be issued to transfer a controlling interest in the Company without the prior approval of the members of the Company in a general meeting. It is proposed that such a provision be deleted as it is no longer required by the Listing Manual to be included in the articles of association of a company. The deletion of such a provision from the New Articles would not, however, eliminate compliance obligations with applicable listing requirements of the SGX-ST that govern such matters.

2.4.9 **Share Repurchase**

Existing Article 16 provides that the Company may, subject to and in accordance with the Companies Act and the Listing Rules, purchase or otherwise acquire shares, options, stocks, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt or financial instruments issued by it. In line with the Companies (Amendment) Act 2005, New Article 6 (which replaces Existing Article 16) clarifies that the Company may deal with any shares so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Companies Act.

2.4.10 **Preference Shares**

As required by the Listing Rules, Existing Article 18(a) provides that the total nominal value of issued preference shares shall not exceed the total nominal value of the issued ordinary shares. In view of the abolition of the concept of par value, it is proposed that Existing Article 18(a) be replaced with New Article 22(1) which provides that preference shares may be issued subject to such limitation as may be prescribed by any stock exchanges upon which shares in the Company may be listed.

2.4.11 **Transfer of Shares**

Existing Article 40 deals with the Board's power to decline to register a transfer of shares. It is proposed that Existing Article 40 be replaced with New Article 44 which clarifies that there shall be no restriction on the transfer of fully paid shares except where required by law, the Listing Rules or bye-laws of the SGX-ST, so as to be in line with the requirements in paragraph 4(c) of Appendix 2.2 to the Listing Manual. It is also proposed that New Article 44 further provides that where the Directors decline to register a transfer of shares, they shall within ten Market Days serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by Rule 733 of the Listing Manual.

2.4.12 **Notice of General Meetings**

Existing Article 69 deals with notice of general meetings. It is proposed that Existing Article 69 be replaced with New Article 74 with drafting changes made to:

- (a) specifically provide that 21 days' notice is to be given for a general meeting at which it is proposed to pass a special resolution or a resolution of which special notice has been given to the Company, so as to be consistent with the requirements in paragraph 7 of Appendix 2.2 to the Listing Manual; and
- (b) provide, in accordance with Section 177(3)(b) of the Companies Act, that a general meeting may be called by shorter notice if it is so agreed (i) in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and (ii) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95% (or such other percentage as prescribed by the Companies Act) of the total voting rights of all the members having a right to vote at that meeting.

Existing Article 71 deals with business to be transacted at general meetings. In order to be consistent with paragraph 7 of Appendix 2.2 to the Listing Manual, New Article 76 (which replaces Existing Article 71) provides that any notice of a general meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

2.4.13 **Quorum**

Existing Article 74 provides that two or more members present in person or by proxy shall form a quorum at a general meeting. It is proposed that Article 74 be replaced with New Article 78 which clarifies that a proxy representing more than one member shall only count as one member for the purpose of determining the quorum and where one member is represented by more than one proxy, such proxies count as only one member for the purpose of determining the quorum.

2.4.14 **Adjournment of Meeting**

Existing Article 77 provides for the chairman of a general meeting, with the consent of the meeting, to adjourn the meeting from time to time and place to place. New Article 81, which replaces Existing Article 77, clarifies that the meeting refers to a meeting at which a quorum is present and also enables the chairman to adjourn a general meeting *sine die* (that is, indefinitely). Further, New Article 81 provides that where a meeting is adjourned for 30 days or more or *sine die*, notice of the adjourned meeting shall be given as in the case of a general meeting.

2.4.15 **Method of Voting and Demand for Poll**

Existing Article 78 deals with the method of voting and who can demand a poll. New Article 82, which replaces Existing Article 78, provides that a poll can be demanded by a member present in person or by proxy and holding not less than 10% of the total number of paid-up shares of the Company (excluding treasury shares), following the abolition of the concept of par value and the introduction of provisions on treasury shares pursuant to the Companies (Amendment) Act 2005.

Existing Article 79 deals with the event of an equality of votes. New Article 83, which replaces Existing Article 79, clarifies that the chairman's second or casting vote is in addition to the vote or votes to which he may be entitled as a member or as a proxy of a member.

Existing Article 81 provides that a poll demanded on the election of a chairman of a meeting and a poll demanded on a question of adjournment shall be taken at the meeting without adjournment. It is proposed that Existing Article 81 be replaced with New Article 85 which provides that notwithstanding New Article 82, no poll shall be demanded on the election of a chairman of a meeting or on the question of adjournment.

2.4.16 **Votes of Members**

Existing Article 87 deals with the voting rights of joint holders. New Article 92, which replaces Existing Article 87, clarifies that any one of such joint holders may vote at any general meeting and be reckoned in a quorum at any general meeting, whether in person or by proxy. New Article 92 further provides that for the purposes of quorum, joint holders of any share or joint depositors shall be treated as one member.

Existing Article 89 provides for procedures relating to the appointment of proxies and provides that in the case of CDP, the instrument of proxy may bear the facsimile signature of its attorney or officer and such facsimile signature may be reproduced by such mechanical or other means as CDP may deem appropriate from time to time. Under the law, the depositors of shares of the Company themselves, and not CDP, are recognised as the members of the Company. Accordingly, the provisions relating to signing of instrument of proxy by the CDP will be excluded from the New Article 94 which replaces Existing Article 89.

2.4.17 **Voting in Absentia**

In accordance with Guideline 15.1 of the Code of Corporate Governance 2005 (issued by the Ministry of Finance on 14 July 2005 and which has come into effect for annual general meetings held after 1 January 2007), companies should make appropriate provisions in their articles of associations to allow for absentia voting methods such as by mail, email or facsimile, if the shareholders so consent. Pursuant to the recommendation under the Code of Corporate Governance 2005, it is proposed that New Article 100 be inserted to give the Board the discretion to implement methods of voting in absentia.

2.4.18 **Remuneration of Directors**

Existing Article 100 deals with the remuneration of Directors for extra services rendered. New Article 108, which replaces Existing Article 100, clarifies that the Directors shall be entitled to be repaid such travelling, hotel and other expenses as may be reasonably incurred by the Directors in the execution of their duties as Directors including any such

expenses incurred in connection with their attendance at meetings of Directors, committee of the Directors or general meetings. In addition, New Article 108 also clarifies that if any Director renders or performs extra or special services outside his ordinary duties as a Director, the Board may, as it thinks fit, pay him special remuneration, in addition to his ordinary remuneration, by way of additional salary or otherwise.

2.4.19 *Managing Directors*

Existing Articles 103 and 104 relate to the appointment, cessation, remuneration and powers of a Managing Director and Existing Article 105 relates to the rotation of Directors. In line with the current requirements of the Listing Manual, references to “Managing Director” are proposed to be extended to “persons holding equivalent positions” in New Articles 111, 112 and 113 (which replace Existing Articles 103, 104 and 105, respectively).

2.4.20 *Powers and Duties of Directors*

Existing Article 109 relates to the general power of Directors to manage the business of the Company. Existing Article 109 is proposed to be replaced with New Article 117 which is drafted to reflect Section 157A(2) of the Companies Act (which was incorporated into the Companies Act in May 2003), which provides that the directors of a company may exercise all the powers of the company except any power that the Companies Act or the memorandum and articles of association of the company require the company to exercise in general meeting.

It is proposed that New Article 123 which deals with the form of registers maintained by the Company and New Article 124 which provides for the keeping of a branch register be inserted as new provisions.

Existing Articles 115 and 116 deal with Directors’ voting rights in relation to contracts in which they have an interest. References to “contract” are proposed to be replaced with “transaction” in New Articles 125 and 126 (which replace Existing Articles 115 and 116, respectively) so as to align these Articles with Section 156 of the Companies Act.

2.4.21 *Proceedings of Directors*

Existing Article 120 deals with meetings of Directors. New Article 130, which replaces Existing Article 120, clarifies that the accidental omission to give any Director, or the non-receipt by any Director of, a notice of the Directors’ meeting, shall not invalidate the proceedings at the Directors’ meeting.

Existing Article 123 provides for the power of Directors to delegate any of their powers (including the power to sub-delegate) to a committee consisting of members of their body. It is proposed that Existing Article 123 be replaced with New Article 133 which further provides that Directors may delegate any of their powers to one or more other persons co-opted by them.

Existing Articles 124 and 125 provide for the procedures of meetings of a committee. It is proposed that Existing Articles 124 and 125 be replaced with New Article 134 which provides that the meetings and proceedings of the committee shall be governed by the New Articles relating to Directors’ meetings so far as they are not superseded by any terms of reference made by the Directors under New Article 133.

Existing Article 128 provides that resolutions in writing signed or approved by letter or telegram by all the Directors who may at the time be present in Singapore (being not less than are sufficient to form a quorum) shall be valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. It is proposed that Existing Article 128 be replaced with New Article 137 which provides that resolutions in writing may be passed by a majority of the Directors (as opposed to all Directors present in Singapore), so as to facilitate the decision-making process of the Directors. In addition, New Article 137 provides for the approval of resolutions in writing by telex, facsimile, cable, email or any other form of electronic communication approved by the Directors (in addition to by letter or telegram), to promote business efficacy generally.

It is proposed that New Article 138 be inserted to provide that a notice or any other document may be served on or delivered to any Director either personally or by sending it through the post or by telex or facsimile transmission, or by using electronic communications.

2.4.22 **Presentation of Accounts**

Existing Article 119 relates to the presentation of accounts. It is proposed that Existing Article 119 be replaced with New Article 129 which provides that the interval between the date of the AGM and the close of the financial year shall not exceed four months or such other period as may be prescribed from time to time by the SGX-ST, the provisions of the Companies Act and/or any applicable law (instead of not exceeding six months as provided by Existing Article 119). This is to bring New Article 129 in line with the current requirements of the Companies Act and the Listing Manual and to obviate the necessity of amending the Articles should there be further amendments to the Companies Act or the Listing Manual in respect of the time period between the close of a financial year of a company and its annual general meeting. Consequential amendments are proposed to Existing Article 142 (which is proposed to be replaced by New Article 158) relating to sending of copies of accounts to, *inter alia*, members of the Company, by deleting references to “not more than six months after the close of the financial year”.

2.4.23 **Dividends**

Existing Article 132 provides for the payment of dividends to be made in proportion to the amount paid in respect of the shares. In view of the abolition of the concept of par value pursuant to the Companies (Amendment) Act 2005, it is proposed that Existing Article 132 be replaced with New Article 143 which provides that all dividends are to be paid proportionately to the number of shares held, and that where shares are partly paid, all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid.

Existing Article 133 provides that the Directors may, with the sanction of a general meeting, from time to time declare dividends but no such dividend shall be payable except out of the profits of the Company. It is proposed that Existing Article 133 be replaced with New Article 144 which clarifies that no such dividend shall (except as expressly authorised by the Companies Act and/or other applicable law) be payable except out of the profits of the Company.

Existing Article 133C relates to the distribution of dividends in specie. It is proposed that Existing Article 133C be replaced with New Article 146 to provide and clarify that the Directors have full liberty to make all such valuations, adjustments and arrangements as in their opinion may be necessary or expedient to facilitate the equitable distribution of dividends amongst the members, the compliance of laws, and the resolution of difficulty arising in regard to the distribution. In particular, New Article 146 provides that where Directors are of the view that any distribution of an asset to a member whose registered address is outside Singapore may infringe any relevant foreign law, or require compliance with conditions or requirements that the Directors view to be onerous or impracticable by reason of costs, delay or otherwise, the Directors may distribute the assets to such other person as may be appointed by the Directors for the purposes of sale and distribute the proceeds of the sale to such member or members on a pro-rata basis.

It is proposed that New Article 148(2) be inserted to provide that the Directors may retain any dividend on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. It is further proposed that New Article 148(3) be inserted to provide that the Company may forfeit any dividend or other monies payable if the same has been unclaimed for a period of six years from the date they became first payable and for the annulment of such forfeiture at the absolute discretion of the Directors.

2.4.24 **Capitalisation of Profits and Reserves**

Existing Article 139, which relates to the capitalisation of profits and reserves, is proposed to be replaced by New Article 155. New Article 155 will permit the issue of bonus shares for which no consideration is payable. In particular, New Article 155(3) provides for the issue of bonus shares for which no consideration is payable and the capitalisation of profits and reserves, in each case, on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share option scheme or plan implemented by the Company and approved by the Company in general meeting, and on such terms as the Directors shall think fit. The New Article 155 will facilitate and provide greater flexibility to the Company for the delivery of shares to participants in respect of vested awards granted pursuant to any share-based incentive plan that may be implemented by the Company.

2.4.25 **Services of Notices**

Existing Articles 144, 147 and 148 relate to the service of notices or other documents by the Company. They currently provide that notices or documents may be served by the Company either personally or by post. The Companies Act now permits electronic distribution of notices of meetings, statutory reports and other documents under certain specified conditions. It is proposed that Existing Articles 144, 147 and 148 be replaced with New Articles 160, 165 and 166, respectively, which provide that service of notices or other documents may also be made through electronic communications.

It is proposed that New Article 161 be inserted to provide that any notice or other document (including, without limitation, any accounts, balance sheet or report) which is required or permitted to be given, sent or served under the Companies Act or under the Articles by the Company or the Directors, to a member, an officer or auditor of the Company, may be served, given, sent or served using electronic communications.

It is further proposed that New Article 167 be inserted to provide that a notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the secretary or other duly authorised officer of the Company, whether such signature is printed, written or electronically signed.

2.4.26 **Winding Up**

Existing Article 149 relates to the distribution of assets in a winding up to members in proportion to the capital paid up or ought to have been paid up, at the commencement of the winding up, on the shares held by them. In view of the abolition of the concept of par value pursuant to the Companies (Amendment) Act 2005, it is proposed that Existing Article 149 be replaced with New Article 168 which provides that surplus assets shall be distributed amongst the members in proportion to the number of shares held by each member (but where shares are partly paid, taking into account the proportion of the amounts paid or credited as paid) at the commencement of the winding up.

Existing Article 150 provides that on a voluntary winding up of the Company, the prior approval of members in general meeting must be obtained for the payment of any commission or fee to the liquidator. As such a provision is no longer required by the Listing Manual to be included in the articles of association of a company, it is proposed that this provision be excluded from the New Articles. Notwithstanding the deletion of this provision from the New Articles, where so required by the Companies Act, the Listing Rules or other applicable laws and regulations, the relevant authorisation or sanction (including members' approval if so necessitated) would have to be sought by the Company in respect of payment of any commission or fee to the liquidator in a members' voluntary liquidation of the Company.

To facilitate the administration of a winding up of the Company, it is proposed that New Article 170 be inserted to provide that any member who is not for the time being in Singapore is required to serve notice in writing on the Company appointing some person in Singapore for the service of notices and process in relation to or under the winding up, and in default of such nomination, the liquidator of the Company shall be at liberty on behalf of such member appoint some such person in his stead.

2.4.27 Indemnity

Existing Article 151 provides for the indemnity of every Director or officer of the Company. It provides that, subject to the provisions of the Companies Act, every Director or officer of the Company shall be entitled to be indemnified by the Company against all losses or liabilities incurred by him in the execution and discharge of his duties.

Section 172(2)(b) of the Companies Act extends the giving of an indemnity to an auditor of the Company. Section 172(2)(b) also permits the Company to indemnify any Director, auditor or other officer of the Company against any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Accordingly, it is proposed that Existing Article 151 be replaced with New Article 171 which is drafted to reflect the provisions of Section 172(2)(b) of the Companies Act.

2.4.28 Amendments to Articles

Existing Article 153 relates to the obtaining of the prior written approval of the SGX-ST for alterations to the Articles. It is proposed that this provision be deleted as it is no longer required by the Listing Manual to be included in the articles of association of a company. Notwithstanding the deletion of such a provision from the New Articles, it would still be necessary for the Company to obtain the prior approval of the SGX-ST for any alterations to the Articles under Rule 729 of the Listing Manual.

3. THE PROPOSED SHARE PURCHASE MANDATE

3.1 Background

At the extraordinary general meeting of the Company held on 7 November 2003, Shareholders had approved the grant of the Share Purchase Mandate to enable the Company to purchase or otherwise acquire issued Shares. The Share Purchase Mandate was subsequently renewed at AGMs of the Company held on 23 April 2004, 20 April 2005 and 26 April 2006 (the “**2006 AGM**”). The rationale for, and the authority and limitations on, the Share Purchase Mandate were set out in the Appendix to the Notice of the 2006 AGM and Ordinary Resolution 14 set out in the Notice of the 2006 AGM.

The existing Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 14 at the 2006 AGM and will expire on the date of the forthcoming 54th AGM to be held on 25 April 2007. Accordingly, Shareholders’ approval is being sought for the renewal of the Share Purchase Mandate at the 54th AGM.

3.2 Shares Purchased or Acquired during the Previous 12 Months

As at the Latest Practicable Date, the Company has not made any purchase or acquisition of Shares under the existing Share Purchase Mandate approved by Shareholders at the 2006 AGM.

3.3 Rationale

The Share Purchase Mandate will give the Directors the flexibility to undertake purchases or acquisitions of issued Shares during the period when the Share Purchase Mandate is in force, if and when circumstances permit. The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements at the time, allow the Directors to better manage the Company’s capital structure with a view to enhancing the earnings per share and/or net asset value per share of the Group. The purchases or acquisitions of Shares may, in appropriate circumstances, also help to mitigate short-term market volatility in the Company’s share price, offset the effects of short-term speculation and bolster Shareholders’ confidence.

The Directors will decide whether to effect the purchases or acquisitions of Shares after taking into account, the prevailing market conditions, the financial position of the Group and other relevant factors. Share purchases or acquisitions will only be made if the Directors believe that such purchases or acquisitions would benefit the Group.

3.4 Terms of the Share Purchase Mandate

The authority and limitations placed on the Share Purchase Mandate, if renewed at the 54th AGM, are the same as those previously approved by Shareholders at the 2006 AGM, and are summarised below:

3.4.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

Subject to the Companies Act, the total number of Shares that may be purchased or acquired by the Company shall not exceed 10% of the total number of Shares (excluding any Shares which are held as treasury shares) in issue as at the date of the AGM at which the renewal of the Share Purchase Mandate is approved.

3.4.2 *Duration of Authority*

Purchases or acquisitions of Shares by the Company may be made, at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Purchase Mandate is approved up to the earlier of:

- (a) the date on which the next AGM of the Company is held or required by law to be held; or
- (b) the date on which purchases or acquisitions of Shares are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in general meeting.

3.4.3 *Manner of Purchases or Acquisitions of Shares*

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

- (a) an on-market purchase transacted through the SGX-ST's Central Limit Order Book (CLOB) trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchase**"); and/or
- (b) an off-market purchase in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**").

In an Off-Market Purchase, the Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Memorandum and Articles, the Listing Manual, the Companies Act and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes.

Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (a) the offers under the scheme are to be made to every person who holds shares to purchase or acquire the same percentage of their shares;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to shares with different amounts remaining unpaid; and

- (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

Under the Listing Manual, in making an Off-Market Purchase in accordance with an equal access scheme, a listed company must issue an offer document to all shareholders containing, *inter alia*, the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share purchases;
- (d) the consequences, if any, of share purchases by the listed company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the share purchases, if made, could affect the listing of the listed company's equity securities on the SGX-ST; and
- (f) details of any share purchases made by the listed company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.

3.4.4 **Maximum Purchase Price**

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors, provided that such purchase price must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase, 120% of the Highest Last Dealt Price (as defined hereinafter),

("Maximum Price") in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

"Average Closing Price" means the average of the Closing Market Prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company, and deemed to be adjusted for any corporate action that occurs after such five-Market Day period;

"Closing Market Price" means the last dealt price for a Share transacted through the SGX-ST's Central Limit Order Book (CLOB) trading system as shown in any publication of the SGX-ST or other sources;

"Highest Last Dealt Price" means the highest price transacted for a Share as recorded on the SGX-ST on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

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

3.5 Status of Purchased or Acquired Shares: Held in Treasury or Cancelled

Any Shares purchased or acquired pursuant to the Share Purchase Mandate will be dealt with in such manner as may be permitted by the Companies Act.

Under the Companies Act, any Share purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share shall expire on cancellation), unless such Share is held by the Company in treasury in accordance with Section 76H of the Companies Act.

3.5.1 *Treasury Shares*

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

- (a) Maximum Holding: The aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of Shares in issue at that time. In the event that the aggregate number of treasury shares held by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess treasury shares within six months after the aforesaid limit is first exceeded.
- (b) Voting and Other Rights: The Company cannot exercise any right in respect of the treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members of the Company on a winding up) may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of the treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

- (c) Disposal or Cancellation: Where Shares are held as treasury shares, the Company may at any time:
 - (i) sell the treasury shares (or any of them) for cash;
 - (ii) transfer the treasury shares (or any of them) for the purposes of or pursuant to an employees' share scheme;
 - (iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
 - (iv) cancel the treasury shares (or any of them); or
 - (v) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

3.5.2 *Purchased or Acquired Shares Cancelled*

Under the Companies Act, where Shares purchased or acquired by the Company are cancelled, the Company shall:

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;

- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

3.6 Source of Funds

In purchasing or acquiring its Shares, the Company may only apply funds legally available for such purchase or acquisition as provided in the Articles and in accordance with applicable laws in Singapore.

Before the Companies (Amendment) Act 2005 came into force, any payment made by a company in consideration of the purchase or acquisition of its own shares may only be made out of the company's distributable profits. The Companies Act now permits any purchase or acquisition of shares to be made out of the company's capital or profits so long as the company is solvent.

For this purpose, a company is "solvent" if:

- (a) the company is able to pay its debts in full at the time of the purchase or acquisition of its shares and will be able to pay its debts as they fall due in the normal course of business during the period of 12 months immediately following the date of the purchase or acquisition; and
- (b) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use the Group's internal resources to finance its purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The amount of funding required for the Company to purchase or acquire Shares under the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such an extent that would materially affect the working capital requirements or the gearing levels of the Group.

3.7 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits of the Company, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial accounts of the Company and Group for the financial year ended 31 December 2006 are based on the assumptions set out below.

3.7.1 Purchase or Acquisition of Shares made out of Capital or Profits

Where the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced. Where the purchase or acquisition of Shares is made out of profits, the purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

3.7.2 **Number of, and Maximum Price paid for, Shares Purchased or Acquired**

Based on 653,504,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued, and no Shares are held by the Company as treasury shares, on or prior to the forthcoming AGM, the purchase or acquisition by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition by the Company of up to 65,350,400 Shares.

(a) Purchases or acquisitions made entirely out of capital

The financial effects on the purchase or acquisition of Shares by the Company made entirely out of capital are based on the purchase or acquisition of 65,350,000 Shares (rounded down to the nearest 1,000 Shares).

In the case of Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 65,350,000 Shares at the Maximum Price of \$0.72 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 65,350,000 Shares is \$47,052,000 (rounded down to the nearest thousand).

In the case of Off-Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 65,350,000 Shares at the Maximum Price of \$0.82 for each Share (being the price equivalent to 20% above the Highest Last Dealt Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 65,350,000 Shares is \$53,587,000 (rounded down to the nearest thousand).

(b) Purchases or acquisitions made entirely out of profits

Having regard to the amount of distributable reserves of the Company as at 31 December 2006 of about \$7.406 million, the financial effects on the purchase or acquisition of Shares by the Company made entirely out of profits are based on the utilisation of funds of up to \$7.4 million (rounded to one decimal place).

In the case of Market Purchases by the Company made entirely out of profits and assuming the use of distributable reserves of the Company of up to \$7.4 million for the purchase or acquisition of Shares at the Maximum Price of \$0.72 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum number of Shares (rounded down to the nearest 1,000 Shares) which can be purchased or acquired by the Company is 10,277,000 Shares representing approximately 1.57% of the total number of Shares in issue as at the Latest Practicable Date.

In the case of Off-Market Purchases by the Company made entirely out of profits and assuming the use of distributable reserves of the Company of up to \$7.4 million for the purchase or acquisition of Shares at the Maximum Price of \$0.82 for each Share (being the price equivalent to 20% above the Highest Last Dealt Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum number of Shares (rounded down to the nearest 1,000 Shares) which can be purchased or acquired by the Company is 9,024,000 Shares representing approximately 1.38% of the total number of Shares in issue as at the Latest Practicable Date.

3.7.3 Illustrative Financial Effects

It is not possible for the Company to realistically calculate or quantify the financial effects of Share purchases or acquisitions that may be made pursuant to the Share Purchase Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Purely for illustrative purposes only, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2006, the assumptions stated above and assuming the purchases or acquisitions of Shares by the Company are funded solely from internal resources, the effects of such purchases or acquisitions of Shares by way of Market Purchases and Off-Market Purchases on the financial positions of the Company and the Group under each of the Scenarios A to D described below are as follows:

(1) Market Purchases

	Before Share Purchase	GROUP			
		After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
As at 31 December 2006 (audited)	← \$'000 →				
Share capital	172,154	172,154	172,154	172,154	125,102
Reserves	294,601	294,601	294,601	287,201	294,601
	466,755	466,755	466,755	459,355	419,703
Treasury shares	–	(7,400)	(47,052)	–	–
Shareholders' funds	466,755	459,355	419,703	459,355	419,703
Non-current liabilities	(77,424)	(77,424)	(77,424)	(77,424)	(77,424)
Non-current assets	280,381	280,381	280,381	280,381	280,381
Current assets	284,186	276,786	237,134	276,786	237,134
Current liabilities	(20,388)	(20,388)	(20,388)	(20,388)	(20,388)
Net current assets/(liabilities)	263,798	256,398	216,746	256,398	216,746
Total liabilities ¹	(97,812)	(97,812)	(97,812)	(97,812)	(97,812)
Net tangible assets ²	466,755	459,355	419,703	459,355	419,703
Number of Shares ³ ('000)	653,504	653,504	653,504	643,227	588,154
Financial Ratios					
Net tangible assets per Share (cents)	71.42	70.29	64.22	71.41	71.36
Basic earnings per Share (cents)	3.58	3.58	3.58	3.63	3.97
Gearing ratio ⁴ (times)	0.21	0.21	0.23	0.21	0.23
Current ratio ⁵ (times)	13.94	13.58	11.63	13.58	11.63

Notes:

- Figure includes technical provisions amounting to \$38.04 million which comprises provision for outstanding claims of \$23.40 million, provision for unearned premiums of \$12.80 million and provision for premium deficiency of \$1.84 million.
- Net tangible assets equals shareholders' funds.
- Based on number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- Gearing ratio equals total liabilities divided by shareholders' funds.
- Current ratio equals current assets divided by current liabilities.

	COMPANY				
	Before Share Purchase	After Share Purchase			
	Scenario A	Scenario B	Scenario C	Scenario D	
As at 31 December 2006 (audited)	← \$'000 →				
Share capital	172,154	172,154	172,154	172,154	125,102
Reserves	294,601	294,601	294,601	287,201	294,601
	466,755	466,755	466,755	459,355	419,703
Treasury shares	–	(7,400)	(47,052)	–	–
Shareholders' funds	466,755	459,355	419,703	459,355	419,703
Non-current liabilities	(50)	(50)	(50)	(50)	(50)
Non-current assets	518,273	518,273	518,273	518,273	518,273
Current assets ¹	4,157	4,157	4,157	4,157	4,157
Current liabilities ¹	(55,625)	(63,025)	(102,677)	(63,025)	(102,677)
Net current assets/(liabilities) ¹	(51,468)	(58,868)	(98,520)	(58,868)	(98,520)
Total liabilities	(55,675)	(63,075)	(102,727)	(63,075)	(102,727)
Net tangible assets ²	466,755	459,355	419,703	459,355	419,703
Number of Shares ³ ('000)	653,504	653,504	653,504	643,227	588,154

Financial Ratios

Net tangible assets per Share (cents)	71.42	70.29	64.22	71.41	71.36
Basic earnings per Share (cents)	n.m.	n.m.	n.m.	n.m.	n.m.
Gearing ratio ⁴ (times)	0.12	0.14	0.24	0.14	0.24
Current ratio ⁵ (times)	0.07	0.07	0.04	0.07	0.04

n.m. denotes not meaningful.

Notes:

- 1 As at 31 December 2006, the Company has only approximately \$4.16 million of current assets, out of which \$0.50 million is in the form of cash and bank balances. The Company also has current liabilities of approximately \$55.63 million as at 31 December 2006, out of which \$54.45 million are amounts due to subsidiary companies. The Group on a consolidated basis has \$66.60 million of cash and bank balances as at 31 December 2006. The Directors believe that the Company is in a healthy financial position and will be able to use the Group's internal financial resources to carry out the Share Purchase Mandate.
- 2 Net tangible assets equals shareholders' funds.
- 3 Based on number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- 4 Gearing ratio equals total liabilities divided by shareholders' funds.
- 5 Current ratio equals current assets divided by current liabilities.

(a) Scenario A: Market Purchases of 10,277,000 Shares made entirely out of profits and held as treasury shares.

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 70.29 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be unchanged. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (b) Scenario B: Market Purchases of 65,350,000 Shares made entirely out of capital and held as treasury shares.

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 64.22 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be unchanged. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (c) Scenario C: Market Purchases of 10,277,000 Shares made entirely out of profits and cancelled.

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 71.41 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be increased from 3.58 cents to 3.63 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (d) Scenario D: Market Purchases of 65,350,000 Shares made entirely out of capital and cancelled.

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 71.36 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be increased from 3.58 cents to 3.97 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

(2) Off-Market Purchases

	GROUP				
	Before Share Purchase	After Share Purchase			
	Scenario A	Scenario B	Scenario C	Scenario D	
As at 31 December 2006 (audited)	←————— \$'000 —————→				
Share capital	172,154	172,154	172,154	172,154	118,567
Reserves	294,601	294,601	294,601	287,201	294,601
	466,755	466,755	466,755	459,355	413,168
Treasury shares	—	(7,400)	(53,587)	—	—
Shareholders' funds	466,755	459,355	413,168	459,355	413,168
Non-current liabilities	(77,424)	(77,424)	(77,424)	(77,424)	(77,424)
Non-current assets	280,381	280,381	280,381	280,381	280,381
Current assets	284,186	276,786	230,599	276,786	230,599
Current liabilities	(20,388)	(20,388)	(20,388)	(20,388)	(20,388)
Net current assets/(liabilities)	263,798	256,398	210,211	256,398	210,211
Total liabilities ¹	(97,812)	(97,812)	(97,812)	(97,812)	(97,812)
Net tangible assets ²	466,755	459,355	413,168	459,355	413,168
Number of Shares ³ ('000)	653,504	653,504	653,504	644,480	588,154
Financial Ratios					
Net tangible assets per Share (cents)	71.42	70.29	63.22	71.28	70.25
Basic earnings per Share (cents)	3.58	3.58	3.58	3.63	3.97
Gearing ratio ⁴ (times)	0.21	0.21	0.24	0.21	0.24
Current ratio ⁵ (times)	13.94	13.58	11.31	13.58	11.31

Notes:

- 1 Figure includes technical provisions amounting to \$38.04 million which comprises provision for outstanding claims of \$23.40 million, provision for unearned premiums of \$12.80 million and provision for premium deficiency of \$1.84 million.
- 2 Net tangible assets equals shareholders' funds.
- 3 Based on number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- 4 Gearing ratio equals total liabilities divided by shareholders' funds.
- 5 Current ratio equals current assets divided by current liabilities.

	COMPANY				
	Before Share Purchase	After Share Purchase			
	Scenario A	Scenario B	Scenario C	Scenario D	
As at 31 December 2006 (audited)	← \$'000 →				
Share capital	172,154	172,154	172,154	172,154	118,567
Reserves	294,601	294,601	294,601	287,201	294,601
	466,755	466,755	466,755	459,355	413,168
Treasury shares	–	(7,400)	(53,587)	–	–
Shareholders' funds	466,755	459,355	413,168	459,355	413,168
Non-current liabilities	(50)	(50)	(50)	(50)	(50)
Non-current assets	518,273	518,273	518,273	518,273	518,273
Current assets ¹	4,157	4,157	4,157	4,157	4,157
Current liabilities ¹	(55,625)	(63,025)	(109,212)	(63,025)	(109,212)
Net current assets/(liabilities) ¹	(51,468)	(58,868)	(105,055)	(58,868)	(105,055)
Total liabilities	(55,675)	(63,075)	(109,262)	(63,075)	(109,262)
Net tangible assets ²	466,755	459,355	413,168	459,355	413,168
Number of Shares ³ ('000)	653,504	653,504	653,504	644,480	588,154
Financial Ratios					
Net tangible assets per Share (cents)	71.42	70.29	63.22	71.28	70.25
Basic earnings per Share (cents)	n.m.	n.m.	n.m.	n.m.	n.m.
Gearing ratio ⁴ (times)	0.12	0.14	0.26	0.14	0.26
Current ratio ⁵ (times)	0.07	0.07	0.04	0.07	0.04

n.m. denotes not meaningful.

Notes:

- 1 As at 31 December 2006, the Company has only approximately \$4.16 million of current assets, out of which \$0.50 million is in the form of cash and bank balances. The Company also has current liabilities of approximately \$55.63 million as at 31 December 2006, out of which \$54.45 million are amounts due to subsidiary companies. The Group on a consolidated basis has \$66.60 million of cash and bank balances as at 31 December 2006. The Directors believe that the Company is in a healthy financial position and will be able to use the Group's internal financial resources to carry out the Share Purchase Mandate.
- 2 Net tangible assets equals shareholders' funds.
- 3 Based on number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions..
- 4 Gearing ratio equals total liabilities divided by shareholders' funds.
- 5 Current ratio equals current assets divided by current liabilities.

(a) Scenario A: Off-Market Purchases of 9,024,000 Shares made entirely out of profits and held as treasury shares.

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 70.29 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be unchanged. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (b) Scenario B: Off-Market Purchases of 65,350,000 Shares made entirely out of capital and held as treasury shares.

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 63.22 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be unchanged. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (c) Scenario C: Off-Market Purchases of 9,024,000 Shares made entirely out of profits and cancelled.

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 71.28 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be increased from 3.58 cents to 3.63 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (d) Scenario D: Off-Market Purchases of 65,350,000 Shares made entirely out of capital and cancelled.

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and net tangible assets of the Company and of the Group by the dollar value of the Shares purchased. The consolidated net tangible assets per Share of the Group as at 31 December 2006 will also decrease from 71.42 cents to 70.25 cents.

Assuming that the purchase of Shares had taken place on 1 January 2006, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2006 would be increased from 3.58 cents to 3.97 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

Shareholders should note that the financial effects set out above, based on the respective assumptions stated above, are for illustration purposes only and are not necessarily representative of future financial performance. In addition, the actual impact will depend on, *inter alia*, the actual number and price of Shares that may be purchased or acquired by the Company, whether the purchase or acquisition of Shares is made out of the profits or capital of the Company and whether the Shares purchased or acquired are held in treasury or cancelled.

Although the Share Purchase Mandate would authorise the Company to purchase up to 10% of the Company's issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares as mandated. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury. The Directors would emphasise that they do not propose to exercise the Share Purchase Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST.

3.8 Taxation

Shareholders who are in doubt as to their respective tax positions or any tax implications, including those who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

3.9 Listing Status on the SGX-ST

Under Rule 723 of the Listing Manual, a listed company shall ensure that at least 10% of equity securities (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The word "public" is defined in the Listing Manual as persons other than directors, chief executive officer, substantial shareholders, or controlling shareholders of the listed company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, there are approximately 187,730,412 Shares, representing approximately 28.727% of the total number of issued Shares, held by the public. In the event that the Company purchases the maximum of 10% of its issued Shares from public Shareholders, the percentage of the Company's public float would be reduced to approximately 20.808% of the total number of Shares in issue. Accordingly, the Directors are of the view that there is, at present, a sufficient number of Shares in issue held by public Shareholders that would permit the Company to potentially undertake purchases or acquisitions of Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without affecting adversely the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect orderly trading of the Shares.

3.10 Certain Take-over Code implications arising from the Share Purchase Mandate

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

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the Take-over Code presumes *inter alia*, the following individuals and companies to be acting in concert with each other: (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, a company is an associated company of another company if the second-mentioned company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

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

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

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company increase to 30% or more; or
- (b) if the Directors and their concert parties hold between 30% and 50% of the Company's voting rights, and their voting rights increase by more than 1% in any period of six months.

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

3.10.1 *Shareholding Interests of Directors*

Based on information in the Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, assuming that (i) the Company purchases the maximum of 10% of the total number of issued Shares as at the Latest Practicable Date, (ii) there is no change in the number of Shares in which the Directors have an interest as at the Latest Practicable Date, and (iii) there are no further issue of Shares, will be as follows:

Name of Director	Number of Shares Held			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
Ong Choo Eng	517,000	188,763,392	189,280,392	28.964%	32.182%
Ong Mui Eng	4,547,248	175,443,140	179,990,388	27.542%	30.603%
Ong Hian Eng	3,062,604	175,506,392	178,568,996	27.325%	30.361%
Guan Meng Kuan	5,534,860	–	5,534,860	0.847%	0.941%
Chew Loy Kiat	840,000	–	840,000	0.129%	0.143%
Ong Eng Loke (alternate director to Ong Mui Eng)	406,500	164,519,896	164,926,396	25.237%	28.041%

3.10.2 *Shareholding Interests of Substantial Shareholders*

Based on information in the Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the substantial shareholders of the Company ("**Substantial Shareholders**") in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, assuming that (i) the Company purchases or acquires the maximum of 10% of the total number of issued Shares as at the Latest Practicable Date, (ii) there is no change in the number of Shares in which the Substantial Shareholders have an interest as at the Latest Practicable Date, and (iii) there are no further issue of Shares, will be as follows:

Name of Substantial Shareholder	Number of Shares Held			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
Ong Holdings (Private) Limited	141,162,840	22,473,056	163,635,896	25.040%	27.822%
Ong Choo Eng	517,000	188,763,392	189,280,392	28.964%	32.182%
Ong Mui Eng	4,547,248	175,443,140	179,990,388	27.542%	30.603%
Ong Hian Eng	3,062,604	175,506,392	178,568,996	27.325%	30.361%
Ong Kwee Eng	–	176,721,892	176,721,892	27.042%	30.047%
Ong Eng Loke	406,500	164,519,896	164,926,396	25.237%	28.041%
Ong Eng Yaw	25,000	177,277,896	177,302,896	27.131%	30.146%
Hong Leong Enterprises Pte. Ltd.	45,664,000	24,942,000	70,606,000	10.804%	12.005%
City Developments Realty Limited	33,355,000	–	33,355,000	5.104%	5.671%
City Developments Limited	–	33,355,000	33,355,000	5.104%	5.671%
Hong Leong Investment Holdings Pte. Ltd.	–	150,342,248	150,342,248	23.006%	25.562%
Kwek Holdings Pte Ltd	–	150,342,248	150,342,248	23.006%	25.562%
Davos Investment Holdings Private Limited	–	150,342,248	150,342,248	23.006%	25.562%
Ong Kay Eng	31,723,934	10,381,378	42,105,312	6.443%	7.159%
Ong Hoo Eng	46,994,753	–	46,994,753	7.191%	7.990%

Notes:

- Ong Holdings (Private) Limited (“**Ong Holdings**”) is deemed under Section 7 of the Companies Act to have an interest in the Shares held by its wholly owned subsidiaries, Bee Tong Trading Company Private Limited (“**Bee Tong**”) and International Foundation Engineering Pte. Ltd. (“**IFE**”).
- Ong Choo Eng is deemed under Section 7 of the Companies Act to have an interest in the Shares held by Ong Holdings, Bee Tong, IFE, Ely Investments (Pte) Ltd. (“**Ely Investments**”) and Ong Chay Tong & Sons (Private) Limited (“**OCTS**”), in which he and/or his associates are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- Ong Mui Eng is deemed under Section 7 of the Companies Act to have an interest in the Shares held by his spouse and Ong Holdings, Bee Tong, IFE and OCTS, in which he and/or his associates are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- Ong Hian Eng is deemed under Section 7 of the Companies Act to have an interest in the Shares held by Ong Holdings, Bee Tong, IFE, Fica (Pte) Ltd and OCTS, in which he and/or his associates are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- Ong Kwee Eng is deemed under Section 7 of the Companies Act to have an interest in the Shares held by his spouse and Ong Holdings, Bee Tong, IFE and OCTS, in which he and/or his associates are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- Ong Eng Loke is deemed under Section 7 of the Companies Act to have an interest in the Shares held by Ong Holdings, Bee Tong, IFE and OME Investment Holding Pte Ltd, in which he and/or his associates are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- Ong Eng Yaw is deemed under Section 7 of the Companies Act to have an interest in the Shares held by Ong Holdings, Bee Tong, IFE and Ely Investments, in which he and/or his associates are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- The aggregate interest of Hong Leong Enterprises Pte. Ltd. (“**HLE**”) is based on its last notification to the Company on 30 May 2003. HLE is deemed under Section 7 of the Companies Act to have an interest in the Shares held by Starich Investments Pte. Ltd., being a company in which it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- The aggregate interest of City Developments Realty Limited (“**CDRL**”) is based on its last notification to the Company on 13 February 2006.
- The aggregate interest of City Developments Limited (“**CDL**”) is based on its last notification to the Company on 13 February 2006. CDL is deemed under Section 7 of the Companies Act to have an interest in the Shares held by its wholly owned subsidiary, CDRL.

- 11 The aggregate interest of Hong Leong Investment Holdings Pte. Ltd. (“**HLIH**”) is based on its last notification to the Company on 13 July 2005. HLIH is deemed under Section 7 of the Companies Act to have an interest in the Shares held by Tudor Court Gallery Pte Ltd, Millennium Securities Pte Ltd, Welkin Investments Pte Ltd and CDRL, and the 70,606,000 Shares held directly and indirectly by HLE, being companies in which it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- 12 The aggregate interest of each of Kwek Holdings Pte Ltd (“**KH**”) and Davos Investment Holdings Private Limited (“**Davos**”) is based on their last notification to the Company on 13 July 2005. Each of KH and Davos is deemed under Section 7 of the Companies Act to have an interest in the 150,342,248 Shares held directly and indirectly by HLIH, in which each is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares thereof.
- 13 Ong Kay Eng is deemed to have an interest in 1,600,000 Shares held by Altrade Investments Pte Ltd, 744 Shares registered in the name of his spouse and 8,780,634 Shares registered in the name of Ong Eng Hui David pursuant to Section 7 of the Companies Act.

3.10.3 **Consequences of Share Purchases or Acquisitions by the Company on the Ong Concert Group**

Mr Ong Choo Eng, Mr Ong Mui Eng, Dr Ong Hian Eng and Mr Ong Eng Loke (collectively, the “**Ong Directors**”) are Directors and Substantial Shareholders of the Company. The Ong Directors and certain parties acting in concert with them, including Ong Holdings (Private) Limited, Mr Ong Kwee Eng and Mr Ong Eng Yaw who are Substantial Shareholders of the Company (collectively, the “**Ong Concert Parties**”) own or control an aggregate of approximately 30.818% of the voting rights of the Company as at the Latest Practicable Date.

Assuming that there is no change in the shareholding interests of the Ong Concert Parties in the Company as at the Latest Practicable Date, the purchase or acquisition by the Company of the maximum 65,350,400 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date) will result in an increase in their collective shareholding interests from 30.818% to 34.242%. Based on the above information as at the Latest Practicable Date, the percentage of voting rights held by the Ong Concert Parties in the Company may be increased by more than 1% in any six-month period as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate. In the event that the voting rights in the Company controlled by the Ong Concert Parties increase by more than 1% in any six-month period, the Ong Concert Parties will, unless exempted, be required to make a take-over offer for the Shares held by the other Shareholders pursuant to Rule 14 of the Take-over Code.

Save as disclosed herein, based on the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, the Directors are not aware of any Substantial Shareholder (together with persons acting in concert with it) who would become obliged to make a mandatory take-over offer for the Company under the Take-over Code in the event that the Company purchases or acquires the maximum 65,350,400 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date) pursuant to the Share Purchase Mandate.

The statements herein do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

4. DIRECTORS' RECOMMENDATION

4.1 The Proposed Adoption of new Memorandum and Articles

The Directors are of the opinion that the proposed adoption of new Memorandum and Articles are in the interests of the Company and, accordingly, recommend that Shareholders vote in favour of the Special Resolution 10 in respect of the proposed adoption of new Memorandum and Special Resolution 11 in respect of the proposed adoption of the New Articles, to be proposed at the 54th AGM.

4.2 The Proposed Renewal of the Share Purchase Mandate

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the interests of the Company and, accordingly, recommend that Shareholders vote in favour of Ordinary Resolution 15 in respect of the renewal of the Share Purchase Mandate to be proposed at the 54th AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Appendix and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Appendix are fair and accurate in all material respects as at the date of this Appendix and there are no material facts the omission of which would make any statement in this Appendix misleading.

Yours faithfully,
For and on behalf of the Board of Directors of
HWA HONG CORPORATION LIMITED

Ong Choo Eng
Group Managing Director

ANNEX A – PROPOSED NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

THE COMPANIES ACT, (CAP 50)

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

HWA HONG CORPORATION LIMITED

(Adopted by special resolution passed on 25 April 2007)

1. The name of the Company is “HWA HONG CORPORATION LIMITED”.
2. The registered office of the Company will be situated in the Republic of Singapore.
3. The liability of the members is limited.
4. We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses, and Description of Subscribers	Number of Shares taken by each Subscriber
HWANG CHUNG KUO, 47B, Guan Chuan Street, Singapore, Merchant.	ONE
HWANG CHUNG HWA, 85, Tanjong Rhu Road, Singapore, Merchant.	ONE
TOTAL NUMBER OF SHARES TAKEN	TWO

Dated this 24th day of December, 1952.

Witness to the above signatures:-

CHAN KIN KUM,
Accountant,
46-B, South Bridge Road,
Singapore.

THE COMPANIES ACT, (CAP 50)

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HWA HONG CORPORATION LIMITED

(Adopted by special resolution passed on 25 April 2007)

TABLE 'A' EXCLUDED

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

Table 'A'
excluded.

INTERPRETATION

2. The following shall have the meanings respectively assigned to them unless there be something in the subject or context inconsistent therewith:-

"account holder" means a person who has a securities account directly with CDP and not through a Depository Agent.

"Act" means The Companies Act, (Cap 50) and any statutory modifications or re-enactment thereof.

"Alternate Director" means an alternate Director appointed pursuant to Article 106.

"Auditors" means the auditors for the time being of the Company.

"Branch Register" means any branch register of Members kept pursuant to these Articles.

"call" includes instalments of a call and any amount due on allotment of any share.

"capital" means share capital.

"CDP" means The Central Depository (Pte) Limited or such other person who for the time being is the Depository for the purposes of Division 7A of the Act and (in each case) where the context so requires, shall include any person specified by it, in a notice given to the Company, as its nominee.

"Depositor" means a person named as an account holder or a Depository Agent in the Depository Register but does not include a Sub-account holder.

"Depository Agent" has the meaning ascribed thereto in Section 130A of the Act.

"Depository Register" means the register maintained by CDP in respect of the shares in the Company registered in the name of CDP or its nominee.

“Director” includes any person acting as a director of the Company and includes any Alternate Director duly acting as such.

“Directors” or “the Board” means the Directors for the time being of the Company or such number of them as have authority to act for the Company.

“dividend” means bonus as well as dividend.

“Exchange” means The Singapore Exchange Securities Trading Limited and where applicable, its successors in title.

“Market Day” means a day on which the Exchange is open for the trading of securities.

“Member”, “holder of any share” or “shareholder” means any registered holder of shares for the time being or if the registered holder is CDP, a Depositor named in the Depository Register (for such period as shares are entered in the Depositor’s Securities Account), save that references in these Articles to a “Member” shall, where the Act requires, exclude the Company where it is a member by reason of its holding shares as treasury shares.

“Memorandum” means the Company’s Memorandum of Association as altered from time to time.

“Office” means the registered office from time to time of the Company.

“person” and words importing persons shall include partnerships, associations, corporations, companies unincorporated and incorporated by Act of Parliament or registration.

“Register” means the Register of Members maintained by the Company pursuant to Section 190 of the Act.

“Seal” means the common seal from time to time of the Company.

“Secretary” includes any person appointed to perform the duties of secretary temporarily and where more than one secretary has been appointed means any one of such secretaries.

“Securities Account” means a securities account maintained by a Depositor with CDP.

“Sub-account holder” means a holder of an account maintained with a Depository Agent.

“the Company” means the abovenamed Company.

“these Articles” means these Articles of Association as altered or added to from time to time and any reference to an Article by number is a reference to the Article of that number in these Articles.

“treasury shares” has the meaning ascribed to it in the Act.

“writing” and “written” include printing, typing, lithography and other modes of reproducing words in a visible form.

“year” means calendar year.

“\$” means the lawful currency of Singapore.

Subject as aforesaid, words which are given a special meaning by the Act shall have the same meaning in these Articles.

A reference to the Act or any section thereof shall be read as though the words "or any statutory modification thereof or any statutory provision substituted therefor" were added to such reference.

Words importing the singular include the plural and vice versa and the masculine includes the feminine.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of these Articles.

SHARES

3. Any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the provisions of the Act (and these Articles) the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed on such terms, and in such manner as the Company before the issue thereof may by Ordinary Resolution determine. Issue of shares.

Redeemable preference shares.
4. In the event of the Company at any time issuing preference capital the Company shall have power to issue further preference capital ranking equally with or in priority to the preference shares already issued and the rights conferred upon the holders of preference shares shall not unless otherwise expressly provided by the conditions of issue of such shares be deemed to be altered by the creation or issue of such further preference capital ranking equally with or in priority thereto. Issue of further preference shares.
5. Except as permitted or expressly provided by the Act or these Articles:- Prohibition against financial assistance.
- (a) no part of the funds of the Company shall, directly or indirectly, be employed in the acquisition of or lending of money on the security of any shares or units of shares in the Company or its holding company (if any); and
- (b) the Company shall not, directly or indirectly, give any financial assistance for the purpose of or in connection with the acquisition or proposed acquisition of any shares or units of shares in the Company or its holding company (if any).
6. Subject to and in accordance with the provisions of the Act, the listing rules of the Exchange, and other written law, the Company may purchase or otherwise acquire shares (whether ordinary or preference or otherwise), options, stocks, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. All shares purchased or otherwise acquired by the Company shall, unless held in treasury in accordance with the provisions of the Act, be deemed to be cancelled immediately on purchase or acquisition. On cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act. Power to purchase shares.

7. The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act. Treasury shares.
8. Subject to the Act and these Articles relating to new shares and to any special rights attached to any share for the time being issued, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions, at such time and subject or not to any consideration being given, including the payment of any of the amount thereof in cash as the Directors shall determine. Provided that:- Approval of the Company in General Meeting for issue of shares.
- (a) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same; and
 - (b) subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the listing rules of the Exchange, any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the second sentence of Article 67 with such adaptations as are necessary shall apply.
9. The Company in General Meeting may by Ordinary Resolution authorise the Directors to exercise any power of the Company to issue shares whether by way of rights, bonus or otherwise and/or to make or grant offers, agreements or options that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into shares, such authority being confined to a particular exercise of that power or generally. Any such authority may be unconditional or subject to conditions and shall continue in force until the conclusion of the Annual General Meeting commencing next after the date on which the approval was given or the expiration of the period within which the next Annual General Meeting after that date is required by law to be held (whichever is the earlier) but may be previously revoked or varied by the Company in General Meeting. Authority to Directors to issue shares.
10. The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. Power to pay commissions and brokerage.
11. If by the conditions of allotment of any shares, the whole or any part of the amount of issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being, and from time to time, shall be the Member in respect of the shares, or his legal personal representative. Instalments of shares.
12. Where two or more persons are registered as the holders of any shares or named in the Depository Register as Depositors, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the provisions following:- Joint holders and Depositors.
- (a) the Company shall not be bound to register more than three persons (not being the trustees, executors or administrators of a deceased Member) as the holders of any share; and
 - (b) on the death of any one of such joint holders or joint Depositors, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share, but the Board may require such evidence of death as it may deem fit.

13. Shares may be registered in the name of an incorporated company or other corporate body but not in the name of an infant, bankrupt or person of unsound mind or in the name of any firm or partnership. Who may be Members.

14. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the Member, except as by these Articles otherwise expressly provided or as by law required or pursuant to any Order of Court. No trust recognised.

15. No person shall exercise any rights or privileges as a Member until his name shall have been entered in the Register or the Depository Register and he shall have paid all calls and other moneys for the time being due and payable on any share in respect of which he is a Member alone or jointly with any other person. Exercise rights of Members.

16. Every registered holder shall be entitled to receive, and the Company shall allot and despatch to CDP for the account of every Depositor who is a Member, within:- Certificates.

- (a) ten Market Days (or such other period as may be approved by the Exchange) of the closing date for the subscription of securities; or
- (b) where applicable, ten Market Days (or such other period as may be approved by the Exchange) after the day of lodgement of a registered transfer (as defined in Article 36)(other than such transfer as the Company is for any reason entitled to refuse to register and does not register),

one certificate in respect of each class of shares held by him or registered in the name of CDP, as the case may be, for all his shares or shares registered in the name of CDP, as the case may be, of that class or several certificates (in the opinion of the Directors) in reasonable denominations each for one or more of his shares or shares registered in the name of CDP, as the case may be, of that class, in the case of the registered holder, upon payment of two dollars (\$2.00) (or such lesser sum as the Directors shall from time to time determine) and in the case of a Depositor, the Directors shall waive all payments for every certificate after the first Provided That (i) the Company shall not be bound to issue more than one certificate in respect of a share held jointly by several persons (including Depositors) and delivery thereof to one of several joint holders or, in the case of shares registered in the name of CDP, to CDP, shall be sufficient delivery to all such holders (including Depositors) and (ii) where a registered holder or CDP has transferred part of his shares or shares registered in the name of CDP, as the case may be, comprised in a share certificate the Company shall without charge and within ten Market Days (or such other period as may be approved by the Exchange) after the lodgement of the registered transfer despatch to the registered holder or CDP, as the case may be, a certificate in respect of the shares not transferred. Without prejudice to the foregoing, the certificates of shares registered in the names of two or more persons may be delivered to the person first named on the Register or, in the case of shares registered in the name of CDP, to CDP.

17. Every certificate for shares shall be issued under the Seal in such form as may be prescribed by the Directors from time to time. Each certificate shall be signed autographically or otherwise by a Director and the Secretary or another Director and shall specify the number and class of shares to which it relates and the amounts paid on the shares, the amount (if any) unpaid on the shares and to the extent to which the shares are paid up. Notwithstanding the above it shall be sufficient evidence that the Seal has been affixed to any such certificate and signed as aforesaid if a facsimile of the signatures of the Director and Secretary or other Director appears thereon. Authentication and form of certificates.

18. Subject to the provisions of the Act, if any share certificate shall be defaced, worn out, destroyed, stolen or lost, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member company of the Exchange or on behalf of its/their client(s) as the Directors shall require, and in the case of defacement or wearing out, on delivery of the old certificate, and in any case, on payment of such sum not exceeding two dollars (\$2.00) as the Directors may from time to time require. In the case of theft, destruction or loss, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such theft, destruction or loss.

New certificate may be issued.

19. When any shares under the powers in these Articles herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

New certificate in place of one not surrendered.

20. Subject to the provisions of the Act all or any of the special rights or privileges for the time being attached to any preference shares for the time being issued may from time to time (whether or not the Company is being wound up) be modified, affected, altered or abrogated and preference capital other than redeemable preference shares may be repaid if authorised by Special Resolution passed by Members in respect of such preference shares at a special meeting called for the purpose. To any such special meeting all the provisions of these Articles as to General Meetings of the Company shall *mutatis mutandis* apply but so that the necessary quorum shall be two persons at least being or representing by proxy not less than one-third of the preference shares issued and that every Member in respect of preference shares shall be entitled on a poll to one vote for every preference share held by him, and that any Member in respect of preference shares present either in person or by proxy may demand a poll Provided That where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the Members in respect of three-fourths of the preference shares concerned within two months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting.

Alteration of rights of preference shareholders.

21. Notwithstanding the foregoing Articles on any issue of preference shares, preference shareholders will be deemed to have the same rights as ordinary shareholders as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.

Rights of preference shareholders.

22. (1) Preference shares may be issued subject to such limitation thereof as may be prescribed by any stock exchanges upon which shares in the Company may be listed.

Issue of preference shares.

(2) The rights attaching to preference shares shall be expressed.

LIEN

23. The Company shall have a first and paramount lien on every share (not being a fully-paid share) and all dividends or interests from time to time declared in respect thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all shares standing registered in the name of a single person or joint persons or in respect of which a Depositor is or joint Depositors are named in the Depository Register and all dividends or interests from time to time declared in respect thereof for all moneys

Company's lien on shares.

presently payable by such person, or in the case of a joint holder or Depositor, either such person or his estate to the Company; the Company's lien shall be restricted to unpaid calls and instalments, costs, charges and expenses referred to in Article 32 and interest (if any) on the specific shares in respect of which such amounts are due and unpaid and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member.

24. The Directors may sell the shares subject to any such lien at such time or times and in such manner as they think fit but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the call or instalment in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the call or instalment and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on such Member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for seven days after such notice.

Lien may be enforced by sale of shares.

25. The net proceeds of any such sale shall be applied in or towards payment or satisfaction of the unpaid calls and accrued interest and expenses and the residue (if any) shall be paid to the Member entitled to the shares or his executors, administrators or assignees or to such persons as he may direct.

Application of proceeds of sale.

26. Upon any such sale as aforesaid, the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the Register as holder of the shares or may request CDP to enter the purchaser's name in the Depository Register as the Depositor thereof and deliver the share certificate(s) in respect thereof to the purchaser or CDP, as the case may be. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale and after his name has been entered in the Register or the Depository Register the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that shares in the Company have been duly sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

Directors may transfer and enter purchaser's name in share register

CALLS ON SHARES

27. The Board may, subject to the terms upon which any shares may have been issued, from time to time make such calls as it thinks fit upon the Members in respect of all moneys unpaid on their shares or any class of their shares and not by the terms of allotment thereof made payable at fixed times provided that at least fourteen days' notice specifying the time and place for payment is given of such calls and each Member shall be liable to pay the amount of calls so made to the persons and at the times and places appointed by the Board. Calls may be made payable by instalments.

Calls.

28. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. A call may be revoked or postponed as the Directors may determine.

Time when made.

29. No Member shall be entitled to receive any dividend or to exercise any privilege as a Member upon shares on which there are unpaid calls until he shall have paid all calls for the time, being due and payable on such shares held by him whether alone or jointly with any other person together with interest and expenses (if any).

Member not entitled to privileges of membership until all calls paid.

- | | |
|---|---|
| <p>30. The joint holders of a share or the joint Depositors in respect of a share shall be jointly and severally liable to the payment of all calls and instalments and interests or costs, charges and expenses referred to in Article 32 (if any) in respect thereof.</p> | <p>Liability of joint holders and Depositors.</p> |
| <p>31. Any sum which by the terms of allotment of a share is made payable upon issue or at any fixed date and any instalment of a call shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in the case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like and all other relevant provisions of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.</p> | <p>Sums payable on allotment deemed a call.</p> |
| <p>32. If any call or instalment thereof payable in respect of any share be not paid on or before the day appointed for payment thereof, the person from whom the amount of the call or instalment is due shall pay interest thereon at the rate of eight per cent per annum from the day appointed for the payment thereof to the time of actual payment or at such lesser rate as the Board may determine and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to recover payment of or in consequence of non-payment of such call or instalment, but the Board may, when it thinks fit, remit altogether or in part any sum paid or payable for interest under this Article.</p> | <p>Interest on calls.</p> |
| <p>33. The Board may, if it thinks fit, receive from any Member willing to pay the same all or any part of the money unpaid upon all or any of the shares held by him beyond the sums actually called up, either as a loan repayable or as a payment in advance of calls, and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made and due upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as may be agreed upon by the Board and the Member paying such sum in advance. Subject to any contract to the contrary the Board may, if it thinks fit, repay to such Member all or any part of the money so paid in advance or so much thereof as for the time being exceeds the amount of the calls then made and due on such shares. Capital paid on shares in advance of calls shall not whilst carrying interest, confer a right to participate in profits.</p> | <p>Payment of calls in advance.</p> |
| <p>34. The non-receipt of a notice of any call by or the accidental omission to give notice of a call to any of the Members shall not invalidate the call.</p> | <p>Non-receipt of notice.</p> |
| <p>35. On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register or the Depository Register as the holder or Depositor, as the case may be, or one of the holders of the shares or one of the Depositors in respect of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that the meeting at which any call was made was duly convened and constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p> | <p>Evidence in suit for calls.</p> |

TRANSFER OF SHARES

- | | |
|--|------------------------------------|
| <p>36. Subject to the restrictions of these Articles and any restrictions imposed by law or the Exchange or the CDP, any Member may transfer all or any of his shares, but every transfer by any Member must either be by means of:-</p> <p>(a) an instrument in the form approved by the Exchange, which must be left at the Office or such other place or places as the Directors may appoint from time to time for registration, duly stamped and accompanied by the certificates of the shares to be transferred, and such other evidence (if any) as the Directors may require to prove the title of the intending transferor or his right to transfer the shares ("a registered transfer"); or</p> | <p>Member may transfer shares.</p> |
|--|------------------------------------|

(b) book-entry in the Depository Register in accordance with the Act.

37. The instrument of transfer of any share in the Company which is the subject of a registered transfer shall be signed both by the transferor and transferee and be witnessed and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. CDP may transfer any share in respect of which its name is entered in the Register by means of a registered transfer Provided That CDP shall not be required as transferee to sign any transfer form for the transfer of shares to it. The Directors may dispense with the execution of the instrument of transfer by the transferee or the requirement that the instrument of transfer be witnessed in any case in which they think fit in their discretion so to do. Shares of different classes shall not be comprised in the same instrument of transfer. This Article 37 shall not apply to any transfer of shares by way of book-entry in the Depository Register in compliance with the Act.

Instrument of transfer to be executed.

38. In the case of registered transfers, all instruments of transfers submitted which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same.

Instrument of transfer to be retained.

39. The Company shall provide a book to be called "Register of Transfers", which shall be kept under the control of the Directors, and in which shall be entered the particulars of every transfer or transmission of shares (other than a transfer or transmission of shares by means of book-entry in the Depository Register).

Register of Transfers.

40. The Register of Transfers may be closed at such times and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in any year (or such other period as may be prescribed by law), and during such periods the Directors may suspend the registration of transfers. Ten Market Days' notice (or such shorter notice as the Exchange may agree) of such closure shall be advised to any stock exchange upon which the Company is listed, stating the period and purpose or purposes for which the closure is being made.

Closure of Register of Transfers.

41. Subject to any legal requirements to the contrary, the Company shall be entitled to destroy:-

Destruction of records.

- (a) at any time after expiration of six years from the date of registration thereof or on which an entry in respect thereof shall have been made (as the case may be), all instruments of transfer of shares, options, warrants, loan stocks or debentures or other forms of security of the Company which shall have been so registered or entered and all letters of request, renounced allotment letters, renounceable share certificates, forms of acceptance and transfer and applications for allotment and all records on microfilm or on any other system of data recording and storage;
- (b) at any time after the expiration of six years from the date of cancellation thereof, all registered certificates for shares or debentures or representing any other form of security of the Company (being certificates for shares, debentures or other securities in the name of a transferor and in respect whereof the Company has registered a transfer) and all mandates and other written directions as to the payment of dividends or interest (being mandates or directions which have been cancelled); and
- (c) at any time after the expiration of six years from the date of the recording thereof, all notifications of change of name or address,

and it shall conclusively be presumed in favour of the Company that:-

- (i) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
- (ii) every certificate for shares or debentures or representing any other form of security so destroyed was a valid and effective certificate duly and properly cancelled; and
- (iii) every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company.

Provided that:-

- (1) the provisions aforesaid shall apply only to the destruction of documents in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (2) nothing herein contained shall be construed as imposing on the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled;
- (3) references herein to the destruction of any documents include references to the disposal thereof in any manner; and
- (4) any document referred to in this Article 41(b) and (c) may be destroyed at a date earlier than that authorised by this Article provided that a copy of such document shall have been made (in any form whether in electronic or digital form) which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Directors shall take adequate precautions for guarding against falsification and for facilitating its production.

42. A fee not exceeding two dollars (\$2.00) may be charged for the registration of each transfer and for each registration or transmission under the transmission Article and shall, if required by the Directors, be paid before registration.

Fee for registration.

43. In the case of a registered transfer, neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of share apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

Indemnity against wrongful transfer.

44. (1) Subject to the provisions of these Articles, there shall be no restriction on the transfer of fully paid-up shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange) but the Directors may in their absolute discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid-up, may refuse to register a transfer to a transferee of whom they do not approve; Provided always that in the event of the Directors refusing to register a transfer of any shares, they shall within ten Market Days after that date on which the transfer was lodged with the Company (or such period of time as may be prescribed by the rules, bye-laws or listing rules of the Exchange), send to the transferor and to the transferee a written notice of the refusal stating the facts which are considered to justify the refusal as required by the Act.

Board's power to decline to register transfers.

(2) The Directors may in their sole discretion decline to register any instrument of transfer unless:-

- (a) such fee not exceeding two dollars (\$2.00) as the Directors may from time to time require in accordance with the provisions of these Articles, is paid to the Company in respect thereof;
- (b) the instrument of transfer is deposited at the Office or at such other place or places as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person to do so;
- (c) the instrument of transfer is in respect of only one class of shares;
- (d) the amount of the proper stamp duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamp duty is paid and a certificate of stamp duty (if any) is deposited with the instrument of transfer.

45. (1) No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind but nothing herein contained shall be construed as imposing on the Company any liability in respect of the registration of such transfer if the Company has no actual knowledge of the same.

Restriction on transfer.

(2) Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

46. In the case of the death of a Member, the survivors or survivor, where the deceased was a joint registered holder or a joint Depositor, and the executors or administrators of the deceased where he was a sole or only surviving registered holder or Depositor, save as otherwise provided herein or required or provided by law, shall be the only persons recognised by the Company as having any title to or interest in respect of his shares, but nothing herein contained shall release the estate of a deceased holder or Depositor from any liability in respect of any share in respect of which he was a Member solely or jointly.

On death of Member survivor or executor only recognised.

- | | |
|--|--|
| <p>47. Any person becoming entitled to a share in consequence of the death or bankruptcy of a registered holder of a share may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share, or subject to the provisions as to transfers herein contained, transfer the same to some other person but the Directors shall in either case have the same right to refuse or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt holder before the death or bankruptcy.</p> | <p>Share of deceased or bankrupt Member.</p> |
| <p>48. Subject to any other provisions of these Articles, if the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute an instrument of transfer of such share in accordance with the provisions of these Articles relating to transfers of shares. In the case of any person becoming entitled to the interest of a Depositor in respect of a share in consequence of the death of the Depositor, Section 130K(1) of the Act shall apply.</p> | <p>Notice of election be registered.</p> |
| <p>49. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice of transfer were a transfer executed by such Member.</p> | <p>Limitations and restrictions on transmission.</p> |
| <p>50. The Company shall be entitled to charge a fee not exceeding two dollars (\$2.00) (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require or prescribe on the registration of every grant of probate, letter of administration, certificate of death or marriage, power of attorney, or other instrument relating to or affecting the title to shares.</p> | <p>Fee for registration of instrument.</p> |
| <p>51. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at meetings of the Company, or save as aforesaid, to exercise any of the rights or privileges of a Member, unless and until he shall be registered as the holder or named in the Depository Register as the Depositor in respect of the share Provided Always That the Directors may at any time give notice requiring any such person to elect either to be registered or named in the Depository Register himself or to transfer the share, and if the notice is not complied with in accordance with these Articles within ninety days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.</p> | <p>Person entitled may receive dividends but may not vote.</p> |

FORFEITURE OF SHARES

- | | |
|--|--|
| <p>52. If any Member fails to pay the whole or any part of any call or instalment or interest, costs, charges or expenses referred to in Article 32, on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment or interest, costs, charges or expenses remain unpaid serve a notice on such Member requiring him to pay the same, together with any interest (including interest upon interest) and expenses that may have been incurred by the Company by reason of such non-payment.</p> | <p>Directors may require payment of call with interest and expenses.</p> |
| <p>53. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment or such part as aforesaid, and all interest, costs, charges and expenses as aforesaid, are to be paid. It shall also name the place of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.</p> | <p>Notice requiring payment to contain certain particulars.</p> |

54. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared. The Directors may in their discretion accept a surrender of any share when they are in a position to forfeit such share or by way of compromise of any question as to whether or not such share has been validly issued or as to whether the Member is properly registered in respect thereof or in any other case where the surrender is within the powers of the Company or allowed by law.
55. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the Member in respect of or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register opposite to the share and the Company shall request CDP to make a corresponding entry in the Depository Register; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
56. Notwithstanding any such forfeiture as aforesaid, the Directors may, any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.
57. Every share which shall be forfeited or surrendered shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to the person who was before forfeiture the holder thereof, or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.
58. Any Member whose shares shall have been forfeited or surrendered shall cease to be Member in respect of the forfeited or surrendered shares but shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls or instalments or interest, costs, expenses owing upon or in respect of such shares at the time of forfeiture or surrender, in the same manner in all respects as if the shares had not been forfeited or surrendered and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture or surrender without any deduction or allowance for the value of the shares at the time of forfeiture or surrender together with any interest thereon from the time of forfeiture or surrender until payment, at the rate of eight per cent per annum and the Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do. Any residue after the satisfaction of the unpaid calls, accrued interest, costs, charges and expenses shall be paid to the Member, his executor, administrator or assignee or as he directs.
59. The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past Members.
- On non-compliance with notice shares forfeited on resolution of Directors.
- Surrender in lieu of forfeiture.
- Notice of forfeiture to be given and entered in Register.
- Directors may allow forfeited shares to be redeemed.
- Procedure for shares forfeited.
- Former holders of forfeited shares liable for call made before forfeiture.
- Consequences of forfeiture.

60. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered in pursuance of these Articles, and stating the date upon which it was forfeited or surrendered, shall, as against all persons claiming to be entitled to the share thereof be conclusive evidence of the facts therein stated, and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposition thereof, and a certificate of proprietorship of the share under the Seal delivered to the person to whom the same is sold, re-alloted or disposed of shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person's name shall be entered in either the Register or the Depository Register, as may be appropriate, in respect of the share and shall be discharged from all calls made prior to such sale, re-allotment or disposition, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to forfeiture, surrender, sale, re-allotment or disposal of the share.

Title to forfeited shares.

CONVERSION OF SHARES INTO STOCK

61. The Company, may, from time to time, by Ordinary Resolution of a General Meeting convert all or any of its paid-up shares into stock and may from time to time, in like manner, reconvert any such stock into paid-up shares.

Conversion to be at General Meeting.

62. When any shares have been converted into stock, the holders of and Depositors in respect of such stock may transfer their respective interests therein, or any part of such interests, in such manner as the Company in General Meeting shall direct, but in default of any such direction in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances will admit. The Directors may, if they think fit, from time to time fix the minimum number of stock units transferable, and restrict or forbid the transfer of fractions of that minimum.

Transfer of stock.

63. The holders of and Depositors in respect of stock shall be entitled to participate in the dividends and profits of the Company according to the number of stock units held by them, and such interests shall, in proportion to the number thereof, confer on the holders thereof and the Depositors in respect thereof respectively the same rights, privileges and advantages for the purposes of voting at meetings of the Company and for other purposes as if they held or were Depositors in respect of the shares from which the stock arose, but so that none of such rights, privileges or advantages (except the participation in the dividends, profits and assets of the Company) shall be conferred by any such number of stock units as would not, if existing in shares, have conferred such rights, privileges or advantages.

Participation of stockholders in dividends.

64. All such provisions of these Articles as are applicable to paid-up shares shall apply to stock, and in all such provision the words "share" and "shareholder" shall include "stock" and "stockholder".

Definition.

ALTERATIONS OF CAPITAL

65. (1) The Company in General Meeting may by Ordinary Resolution:-

Power to consolidate shares.

- (a) Consolidate and divide all or any of its shares. On any consolidation of fully paid shares, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the shares of Members to be consolidated determine which particular shares are to be consolidated into each consolidated share and in the case of any shares of Members being consolidated with shares of another Member may make such arrangements as may be thought fit for the sale of the consolidated share or any fractions thereof and for such

purpose may appoint some person to transfer the consolidated share to the purchaser and arrange either for the distribution among the persons entitled thereto of the net proceeds of such sale after deduction of the expenses of sale or for the payment of such net proceeds to the Company. Provided that the Directors may in each case where the number of shares in respect of which any holder or Depositor is a Member is not an exact multiple of the number of shares to be consolidated into a single share issue to each such holder or Depositor credited as fully paid up by way of capitalisation the minimum number of shares required to round up his shareholding to such multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at the Directors' discretion from any of the sums standing to the credit of any of the Company's reserve accounts or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

- | | | |
|-----|--|-----------------------------|
| (b) | Cancel any number of shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the number of the shares so cancelled. | Power to cancel shares. |
| (c) | Subdivide its shares or any of them (subject, nevertheless, to the provisions of the Act) and so that the resolution whereby any share is subdivided may determine that as between the holders or Depositors of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to new shares. | Power to sub-divide shares. |
| (d) | Subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares. | Power to convert shares. |

(2)	The Company may reduce its share capital or any undistributable or other reserve in any manner and subject to any incident authorised and consent required by law.	Power to reduce capital.
-----	--	--------------------------

(3) Anything done in pursuance of this Article shall be done in the manner provided by and subject to any conditions imposed by the Act or so far as the Act shall not be applicable then in accordance with the terms of the resolution authorising the same or so far as such resolution shall not be applicable then in such manner as the Directors deem most expedient.

INCREASE OF CAPITAL

66.	Subject to Article 3, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and, in default of such direction, as the Directors may determine and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.	On what conditions new shares may be issued.
-----	---	--

67. Unless otherwise determined and subject to such other terms and conditions as may be determined by the Company in General Meeting (including by way of general authority), or unless permitted under the listing rules of the Exchange as may be in force from time to time, all new shares shall, before issue, be offered to such Members as at the date of the offer are entitled to receive notices from the Company of General Meetings, in proportion, as nearly as the circumstances admit, to the number of the existing shares to which they are entitled. The offer may be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. Provided Always that the Directors shall have the absolute discretion to determine whether or not such offer shall be made to any Member in any country or jurisdiction outside the Republic of Singapore. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered in the manner hereinbefore provided or which are not offered to Members outside the Republic of Singapore who have not provided addresses in Singapore to the Company or CDP, as the case may be, in accordance with these Articles.

Issue of new shares.

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

How far new shares to rank with original shares.

MODIFICATION OF CLASS RIGHTS

69. Subject to the provisions of the Act, all or any of the special rights or privileges attached to any class of shares in the capital of the Company for the time being may, at any time, as well before as during liquidation, be modified, affected, altered or abrogated, either with the consent in writing of the Members in respect of not less than three-fourths of the issued shares of the class, or with the sanction of a Special Resolution passed at a separate General Meeting of the Members in respect of shares of the class, and all the provisions contained in these Articles relating to General Meeting shall *mutatis mutandis* apply to every such meeting, but so that the quorum thereof shall be not less than two persons personally present and being or representing by proxy one-third of the issued shares of the class, and that any Member in respect of shares of the class, present in person or by proxy, shall on a poll be entitled to one vote for each share of the class in respect of which he is a Member, and if at any adjourned meeting of such Members such quorum as aforesaid is not present, any two Members in respect of shares of the class who are personally present shall be a quorum. The Directors shall comply with the provisions of Section 186 of the Act as to forwarding a copy of any such consent or resolution to the Registrar of Companies.

Modification of class rights.

GENERAL MEETINGS

70. A General Meeting shall be held once in every calendar year, at such time and place as may be determined by the Directors, but so that not more than fifteen months shall be allowed to elapse between any two such General Meetings.

General Meetings.

71. The abovementioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary General Meetings.

Annual and Extraordinary General Meetings.

72. The Directors may call an Extraordinary General Meeting whenever they think fit, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists as provided by the Act.

Calling for Extraordinary General Meetings.

73. In the case of an Extraordinary General Meeting called in pursuance of a requisition no business other than that stated in the requisition as the objects of the meetings shall be transacted. Business at meetings called by requisition.

74. Any General Meeting at which it is proposed to pass Special Resolutions or (save as provided by the Act and the listing rules of the Exchange) a resolution of which special notice has been given to the Company, shall be called by at least twenty-one days' notice in writing and any other General Meeting by at least fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given). The notice must specify the place, the day and the hour of meeting, and in the case of special business the general nature of such business, and shall be given in the manner hereinafter mentioned to all Members other than such as are not under the provisions of these Articles and the Act entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed: Notice of meeting.

- (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by that number or majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than ninety-five per cent (or such other percentage as prescribed by the Act) of the total voting rights of all the Members having a right to vote at that meeting.

So long as the shares in the Company are listed on any stock exchange, at least fourteen days' notice of every General Meeting shall be given by advertisement in the daily press and in writing to such stock exchange upon which the shares in the Company are listed.

75. The accidental omission to give any notice of any meeting to or the non-receipt of any such notice by any of the Members shall not invalidate the proceedings at any General Meeting or any resolution passed thereat. Accidental omission.

76. All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditors, the fixing of the fees of Directors, the election of Directors in the place of those retiring, the declaration of dividends and the appointment of and the fixing of the remuneration of the Auditors. Any notice of a General Meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. Business of meetings.

77. No business except the choice of a Chairman or the adjournment of the meeting shall be transacted or discussed at any General Meeting while the Chair is vacant. No business to be done while Chair vacant.

78. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Except at any time when a corporation is the sole Member, two Members present personally or by proxy, attorney or representative shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Section 179(3) of the Act. Provided That a proxy representing more than one Member shall only count as one Member, and where a Member is represented by more than one proxy such proxies shall count as only one Member, for the purposes of determining the quorum. Quorum.

79. If within half an hour from the time appointed for the General Meeting a quorum be not present, the General Meeting, if convened upon the requisition of Members as aforesaid, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at the adjourned General Meeting, a quorum is not present within half an hour from the time appointed for the General Meeting, the Member present personally or by proxy, attorney or representative shall form a quorum. Adjournment for want of quorum.
80. The Chairman of the Directors (if any) and in his absence the Deputy Chairman (if any) shall preside at every General Meeting, but if such officers have not been appointed or if neither of them be present at a meeting within fifteen minutes after the time appointed for holding the same, the Directors present or in default the Members present shall choose a Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some Member present to be chairman of the meeting. Chairman.
81. The Chairman of a General Meeting may with the consent of the meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the same from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or *sine die*, notice of the adjourned meeting shall be given as in the case of a General Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. Adjournment with consent of meeting.
82. At every General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands by the Members present in person or by proxy and entitled to vote, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chairman of the meeting or by not less than two Members present in person or by proxy, and entitled to vote at the meeting or by a Member present in person or by proxy, representing not less than one-tenth of the total voting rights of all Members entitled to vote at the meeting or by a Member present in person or by proxy holding not less than ten per cent. of the total number of paid-up shares of the Company conferring a right to vote at the meeting (excluding treasury shares). Unless a poll be so demanded, a declaration by the Chairman of the meeting that a resolution has been carried, or has been carried unanimously or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution. How question to be decided at meetings.
83. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall have a second or casting vote in addition to the vote or votes to which he may be entitled as a Member or as a proxy of a Member. In the event of equality of votes.
84. If a poll is demanded as aforesaid it shall (subject to the provisions of the next succeeding Article hereof) be taken in such manner and at such time and place as the Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. How a poll is to be taken.
85. Notwithstanding Article 82, no poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs. No poll.

86. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the business on which a poll has been demanded.

Business may proceed notwithstanding demand for poll.

87. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings and any such minutes if signed by the Chairman of the meetings to which they relate or by the Chairman of the next subsequent General Meetings shall be receivable as evidence of the facts therein stated without further proof. Such books shall be kept at the office of the Company and be open to inspection by a Member without charge at such times as the Directors may from time to time decide in accordance with the Act.

Minutes of General Meeting.

88. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and unless in the opinion of the Chairman at the meeting or at any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.

Votes wrongly counted.

89. Subject to the provisions of the Act, a resolution in writing signed by all the Members or their agents authorised in writing shall (except where a meeting is prescribed by the Act) be as valid and effectual as if it had been passed at a meeting of the Members duly convened and held, and any such resolution may consist of several documents in like form each signed by or on behalf of one or more Members. In the case of a corporate body which is a Member such resolution may be signed on its behalf by any two of its directors or by any person (whether identified by name or by reference to the holding of any particular office) duly authorised by such corporate body by resolution of its directors or other governing body or by Power of Attorney to sign resolution on its behalf.

Written resolution.

VOTES OF MEMBERS

90. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 7, each Member entitled to vote may vote in person or by proxy. On a show of hands every Member who is present in person or by proxy shall have one vote and on a poll, every Member who is present in person or by proxy shall have one vote for every share which he holds or represents Provided Always That:-

How votes may be given and who can be a proxy.

- (a) where a Member is represented by one or more proxies, only the first named proxy specified in the relevant instrument of proxy shall be deemed to be authorised to vote on a show of hands and the second named proxy shall not be so entitled to vote unless the first named proxy is not present or fails to cast a vote; and
- (b) if the Member is a Depositor, the Company shall be entitled on a poll to accept as validly cast by a Depositor votes in respect of a number of shares equal to the number of shares appearing against his name in the Depository Register forty-eight hours prior to the commencement of the relevant General Meeting as certified by CDP to the Company.

A proxy need not be a Member of the Company.

91. If any Member be a lunatic, idiot or *non-compos mentis* he may vote by his committee, receiver, *curator bonis* or other legal curator, and such last mentioned persons may give their votes whether on a show of hands or on poll either personally or by proxy. But no person claiming to vote pursuant to this Article shall do so unless such evidence as the Directors may require of his authority shall have been deposited at the Office not less than forty-eight hours before the time for holding the Meeting at which he wishes to vote.
- Votes of lunatic Member.
92. In the case of joint Members, any one of such joint Members may vote at any General Meeting and be reckoned in a quorum at any General Meeting, whether in person or by proxy, and if more than one of such joint Members is present at a meeting, then in voting upon any question, the vote of the senior who tenders a vote, whether in person or by proxy or by an attorney, shall be accepted to the exclusion of the votes of the other joint Members, and for this purposes seniority shall be determined by the order in which the names stand in the Register or the Depository Register, as the case may be. For the purposes of quorum, joint holders of any share or joint Depositors shall be treated as one Member.
- Votes of joint Members.
93. Every Member shall be entitled to be present and to vote at any General Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative and to be reckoned in a quorum in respect of any share or shares upon which all calls due to the Company have been paid.
- Right to vote.
94. A power of attorney or a certified copy thereof or the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor.
- Instrument appointing proxy to be in writing.
95. Any corporation which is a Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.
- Corporation representatives.
96. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a certified copy thereof, shall be deposited at the Office or such office (if any) as is specified for that purpose in the notice convening the meeting at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote; otherwise the person so named shall not be entitled to vote in respect thereof.
- Instrument appointing proxy to be left at Company's Office.
97. An instrument of proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as well as for the meeting to which it relates and shall not, unless the Directors in their absolute discretion determine otherwise, be required to be witnessed.
- Instrument of proxy valid at adjourned meeting.
98. A Member may appoint not more than two proxies to attend and vote at the same General Meeting. A Member appointing more than one proxy shall specify the percentage of shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named. An instrument appointing a proxy shall be in such form as the Directors may from time to time approve. The Company shall be entitled (i) to reject any instrument of proxy executed by a Depositor if his name does not appear in the Depository Register forty-eight hours prior to the commencement of the relevant
- Appointment of proxies.

General Meeting as certified by CDP to the Company, and (ii) for the purpose of a poll, to treat an instrument of proxy executed by a Depositor as representing the number of shares equal to the number of shares appearing against his name in the Depository Register referred to in (i) above, notwithstanding the number of shares actually specified in the relevant instrument of proxy.

99. A vote given in accordance with the terms of an instrument of proxy shall be treated as valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given Provided That no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Office at least forty-eight hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

Proxy votes.

100. Subject to these Articles and any applicable legislation, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

Voting in absentia.

DIRECTORS

101. The first Directors of the Company were Messrs Hwang Chung Kuo and Hwang Chung Hwa. All the Directors of the Company shall be natural persons.

First Directors.

102. The Company in General Meeting may, subject to the provisions of these Articles, from time to time appoint new Directors, and may increase or reduce the number of Directors in office, and may alter their qualifications. Until otherwise determined by a General Meeting, the number of Directors shall be not less than three and not more than fifteen. A person who is not a Director retiring by rotation or otherwise shall, unless recommended by the Directors for election, only be eligible for appointment as a Director at any General Meeting if not less than eleven clear days nor more than twenty-one clear days (exclusive of the date on which the notice is given) before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. Provided that in the case of a person recommended by the Directors for election, nine clear days' notice only shall be necessary and notice of each and every candidate for election shall be served on all Members at least seven days prior to the meeting at which the election is to take place.

Number of Directors.

Notice of candidate as a Director to be given.

103. The Directors shall have power from time to time and at any time to appoint additional Directors or to appoint any qualified person as Director to fill a casual vacancy. A Director so appointed shall retire from office at the close of the next Annual General Meeting, but shall be eligible for re-election.

Power to add Directors.

104. The Company may from time to time by Ordinary Resolution remove any Director before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his stead. The person so appointed shall continue to hold office until the next Annual General Meeting.

Removal of Directors.

105. A Director shall not be required to hold any share qualification in the Company but subject to the provisions of the Act he shall not be of or over the age of 70 years at the date of his appointment.

Director's qualification.

106. (1) Any Director may at any time and from time to time appoint any other person approved by a majority of the Directors for the time being to be his alternate, and may at any time remove any Alternate Director appointed by him and (subject to such approval as aforesaid) appoint another in his place. No Director shall act as an Alternate Director. A person shall not act as an Alternate Director for more than one Director.

Appointment of Alternate Directors.

(2) An Alternate Director shall be entitled to receive notices of and attend all meetings of the Directors and to vote as a Director at any such meeting at which the Director appointing him is not present, and generally in the absence of his appointee to perform all the functions of his appointor as a Director.

Notices and attendance at meetings.

(3) An Alternate Director may be removed from office by resolution of the Board but he shall be entitled to vote on such resolution, and shall *ipso facto* cease to be an Alternate Director if his appointor ceases for any reason to be a Director.

(4) All appointments and removals of Alternate Directors made by any Director in pursuance of the provisions of this Article shall be in writing under the hand of the Director making the same and left at the Office. The nomination of an Alternate Director shall be valid if made by cable, telegram, telefax or any form of electronic communication, provided that such nomination shall be confirmed within three months from the date of such cable, telegram, telefax or electronic communication by a written nomination complying with the abovementioned requirements, and any act done by the Alternate Director nominated in such cable, telegram, telefax or electronic communication between the date thereof and the date of the receipt within the prescribed period by the Company of the written nomination shall be as valid and effectual as if such Alternate Director had been duly appointed in the first instance, whether such written nomination shall be received by the Company within the prescribed period or not.

(5) Every person acting as an Alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him.

(6) Any fee paid by the Company to an Alternate Director shall be deducted from the fees of the Director appointing the Alternate. Save as aforesaid an Alternate Director shall not (in respect of such appointment) be entitled to receive any remuneration from the Company.

107. (1) The Directors shall be entitled to receive by way of fees for their services as Directors in each year such sum as shall from time to time be determined by the Company in General Meeting, the notice of which shall specify the proposals concerning the same. Such fees shall be divided amongst the Directors as they shall determine or failing agreement equally.

Directors' remuneration.

(2) The fees payable to the Directors as Directors shall not be increased except pursuant to an Ordinary Resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the meeting.

(3) The fees of a non-executive Director shall be a fixed sum and not by a commission on or percentage of profits or turnover.

(4) The provisions of this Article are without prejudice to the power of the Directors to appoint any of their number to be an employee or agent of the Company at such remuneration and upon such terms as they think fit without approval of the Members in General Meeting provided that such remuneration may include a commission on or percentage of profits but not a commission on or percentage of turnover.

108. The Directors shall be entitled to be repaid such travelling, hotel and other expenses as may reasonably be incurred by them in the execution of their duties as Directors including any such expenses incurred in connection with their attendance at meetings of the Directors or of any committee of the Directors or general meetings. If any Director, being willing and having been called upon to do so, shall render or perform extra or special services outside his ordinary duties as a Director, including services on any committee established by the Directors, the Board may, as it thinks fit, pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of additional salary or otherwise Provided Always That such special remuneration, if payable by way of fees to non-executive Directors, shall be by a fixed sum, and not by a commission on or percentage of profits or turnover, and if payable by way of salaries to executive Directors, shall be either as a fixed sum or as provided in Article 107(4) (but not by way of commission on or percentage of turnover) without the approval of the Members in General Meeting and such remuneration may, as the Directors shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company.

Remuneration
for extra service.

109. A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and on such terms as to remuneration and otherwise as the Directors shall arrange. No Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as a vendor, purchaser, lessor, lessee, mortgagor, mortgagee, manager, agent, broker or otherwise. No such contract and no contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested shall be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established Provided Always That he has complied with the requirements of Section 156 of the Act as to disclosure.

Power of
Director to hold
office of profit
and to contract
with Company.

110. Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a Director shall be vacated:

Office of
Director
vacated in
certain cases.

- (a) If he becomes bankrupt or makes any arrangement or composition with his creditors;
- (b) If he is found lunatic or becomes of unsound mind;
- (c) If he absents himself from the Meetings of Directors for a period of six months without special leave of absence from the other Directors, and they pass a resolution that he has by reason of such absence vacated his office;
- (d) If he is removed by an Ordinary Resolution passed at a General Meeting of which special notice has been given;
- (e) If he shall be requested in writing to vacate office by all the other Directors, and they pass a resolution that he has been so requested by reason thereof to vacate his office;
- (f) If he is prohibited from being or ceases to be a Director by reason of any of the provisions of the Act;
- (g) Subject to the provisions of the Act, if he resigns his office by notice in writing to the Company; or
- (h) Subject to the provisions of the Act, at the conclusion of the Annual General Meeting commencing next after he attains the age of 70 years.

111. (1) The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors (or a person holding an equivalent position), for such period not exceeding five years subject to re-appointment and upon such terms as they think fit, and may vest in such Managing Director or Managing Directors (or such person holding an equivalent position) such of the powers hereby vested in the Directors generally as they may think fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions, and generally upon such terms as to remuneration and otherwise as they may determine.

Directors may appoint Managing Director.

(2) The remuneration of a Managing Director (or such person holding an equivalent position) may be by way of salary or commission or participation in profits, or by any or all of these modes or otherwise as may be thought expedient provided that no remuneration shall be by way of a commission on or percentage of turnover.

(3) A Managing Director (or such person holding an equivalent position) shall be subject to the control of the Board.

112. A Managing Director (or such person holding an equivalent position) shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director he shall *ipso facto* and immediately cease to be a Managing Director (or cease to hold such equivalent position).

Special position of Managing Director.

ROTATION OF DIRECTORS

113. Subject to these Articles and to the Act, at the Annual General Meeting of the Company in each year one-third of the Directors for the time being (excluding a Managing Director or Joint Managing Directors (or such persons holding an equivalent position)), or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, Provided Always That all Directors (excluding a Managing Director or Joint Managing Directors (or such persons holding an equivalent position)) shall submit themselves for re-nomination and re-election at regular intervals and at least once in every three years. A retiring Director shall retain office until the close of the meeting at which he retires.

Retirement of Directors.

114. The Directors to retire at the Annual General Meeting in each year (other than those bound to retire under Article 103 and the provisions of the Act) shall be the Directors who have been longest in office since their last re-election or appointment or have been in office for three years since their last election. As between Directors of equal seniority, the Directors to retire, shall, unless they shall agree among themselves, be selected from among them by lot. A retiring Director shall be eligible for re-appointment.

Selection of Directors to retire.

115. If at any meeting at which an appointment of Directors ought to take place the office vacated by any retiring Director is not filled up, such retiring Director shall, if duly qualified and offering himself for re-appointment, be deemed to have been re-appointed, unless at such meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-appointment of such retiring Director shall have been put to the meeting and lost.

Retiring Director deemed to be re-appointed.

116. Every resolution of a General Meeting for the appointment of a Director shall relate to one named person and a single resolution for the appointment of two or more persons shall be void.

Separate resolution for appointment of Directors.

POWERS AND DUTIES OF DIRECTORS

- | | |
|--|---|
| <p>117. The business of the Company shall be managed by or under the direction of the Directors, who may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.</p> | <p>Business of Company to be managed by Directors.</p> |
| <p>118. The Directors may from time to time and at any time by power of attorney under the Seal appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these regulations) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.</p> | <p>Appointment of attorneys.</p> |
| <p>119. The Directors may borrow or raise money from time to time for the purposes of the Company or secure the payment of such sums as they think fit, and may secure the repayment or payment of any such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures (whether at par or at a discount or premium) or otherwise as they think fit.</p> | <p>Directors' borrowing powers.</p> |
| <p>120. Subject to the provisions of the Act, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director or former Director who has held any other salaried office or place of profit with the Company or to his widow or dependants or relations or connections and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.</p> | <p>Directors' pensions.</p> |
| <p>121. The continuing Directors may act at any time notwithstanding any vacancy in their body; Provided Always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body, or of summoning a General Meeting of the Company but not for any other purpose, except in an emergency.</p> | <p>Continuing Directors may act to fill vacancies or summon meetings.</p> |
| <p>122. The Directors shall duly comply with the provisions of the Act and particularly the provisions as to registration and keeping copies of mortgages and charges, keeping of the Register, keeping a register of Directors and Secretaries, a register of mortgages and charges and a register of Directors' share and debenture holdings and the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.</p> | <p>Keeping of registers, etc.</p> |
| <p>123. Any register, index, minute book, book of accounts or other book required by these Articles or by the Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery.</p> | <p>Form of registers, etc.</p> |
| <p>124. The Company may exercise the powers conferred upon the Company by the provisions of the Act with regard to the keeping of a Branch Register, and the Directors may (subject to the provisions of the Act) make and vary such regulations as they may think fit respecting the keeping of any such Branch Register.</p> | <p>Branch Register.</p> |
| <p>125. A Director who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the Company shall declare the nature of his interest in accordance with the provisions of the Act.</p> | <p>Declaration of interest.</p> |

126. A Director shall not vote in regard to any transaction or proposed transaction with the Company in which he has directly or indirectly a personal material interest and if he shall do so his vote shall not be counted nor save as provided by Article 127 shall he be counted in the quorum present at the meeting, but neither of these prohibitions shall apply to:-

Restriction on voting.

- (a) any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- (b) to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the provision of security; or
- (c) any transaction or proposed transaction by a Director to subscribe for or underwrite shares or debentures of the Company;

Provided that these prohibitions may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction or any particular proposed contract, arrangement or transaction by the Company by Ordinary Resolution.

127. A Director, notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any executive office or other office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or whereat the terms of any such appointment are considered, and he may vote on any such matter other than in respect of his own appointment or the arrangement of the terms thereof.

Relaxation of restriction on voting.

128. The Directors may procure the establishment and maintenance of or participate in or contribute to any non-contributory or contributory pension or superannuation fund or life assurance scheme for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or of the predecessors in business of the Company or of any such subsidiary company, or the wives, widows, families or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription and support to any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid or of its members and payments for or towards, the insurance of any such persons as aforesaid, and subscriptions or guarantee of money for charitable or benevolent objects or for any exhibition or for any public, general or useful objects.

Power to maintain pension fund.

129. The Directors shall from time to time in accordance with the provisions of the Act and the listing requirements of the Exchange cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary. The interval between the close of the financial year of the Company and the date of the Annual General Meeting of the Company shall not exceed four months (or such other period as may be prescribed from time to time by the Exchange, the provisions of the Act and/or any applicable law).

Presentation of accounts.

PROCEEDINGS OF DIRECTORS

130. Save as herein provided and subject to the provisions of the Act, the Directors may meet together either in person or by telephone, radio, conference television or similar communication equipment or any other form of audio or audio-visual communication by which all persons participating in the meeting are able to hear and be heard by all other participants, for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and the quorum for such teleconference meetings shall be the same as the quorum required by a Directors' meeting provided in these Articles. Unless otherwise determined, two shall be a quorum. A resolution passed by such a conference shall, notwithstanding that the Directors are not present together at one place at the time of the conference, be deemed to have been passed at a meeting of the Directors held on the day and at the time at which the conference was held and shall be deemed to have been held at the Office of the Company, unless otherwise agreed, and all Directors participating at that meeting shall be deemed for all purposes of these Articles to be present at that meeting. Questions arising at any meeting shall be decided by a majority of votes, each Director having one vote and in case of an equality of votes, the Chairman shall have a second or casting vote except when only two Directors are present and form a quorum or only two are competent to vote on the question at issue. Notice of every Directors' meeting shall be sent to each Director and Alternate Director. The accidental omission to give any Director, or the non-receipt by any Director of, a notice of meeting of Directors shall not invalidate the proceedings at that meeting.
131. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors.
132. The Directors may from time to time elect a Chairman who shall preside at meetings of the Directors, and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.
133. The Directors may delegate any of their powers (including the power to sub-delegate) to committees consisting of such member or members of their body as they think fit and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee.
134. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any terms of reference made by the Directors under the last preceding Article.
135. All acts *bona fide* done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
136. The Directors shall cause proper minutes to be made of all General Meetings of the Company and also of all appointments of officers, and of the proceedings of all meetings of Directors and committees and of the attendance thereat, and of all business transacted at such meetings; and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.

Meetings of Directors (including via electronic means) and quorum.

Director may call meeting of Board.

Chairman of Directors.

Power for Directors to appoint committees.

Proceedings for committees.

All acts done by Directors to be valid.

Minutes to be made and when signed by Chairman to be conclusive evidence.

137. A resolution in writing signed by a majority of the Directors (including a majority of those entitled to vote thereon) shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. Any such resolution may consist of several documents in like form, each signed by one or more Directors. For the purpose of this Article, 'in writing' and 'signed' include approval by telex, facsimile, cable, telegram, email or any other form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

Resolution by circulation.

138. A notice or any other document may be served on or delivered to any Director either personally or by sending it through the post in a prepaid letter or by telex or facsimile transmission addressed to such Director at his address appearing in the Register of Directors maintained by the Company, or to the address, if any, supplied by him to the Company for such purpose, or by using electronic communications to the current address of that Director in accordance with the Act and/or any other applicable regulations or procedures. Service or delivery of such notice or document shall be deemed to be effected in accordance with the provisions of Article 166.

Notice to Directors.

SECRETARY

139. The Secretary shall be appointed by the Directors for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The Directors may from time to time, by resolution appoint a deputy and or an assistant Secretary. The first Secretary shall be Mah Beng Guan.

Secretary.

140. (1) A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting as Director and as or in place of the Secretary.

Only Director and Secretary can act.

(2) A provision of the Act or these Articles requiring or authorising a thing to be done by or to the Secretary shall be satisfied by its being done by or to an assistant or deputy Secretary, if any, for the time appointed by the Directors.

Assistant or deputy Secretary.

THE SEAL

141. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors in that behalf and every instrument to which the Seal shall be affixed shall bear the signatures or autographic or facsimile signatures of a Director and the Secretary or a second Director or some other persons appointed by the Directors for the purpose. Any facsimile signature may be reproduced by mechanical, electronic or such other method as may from time to time be approved by the Directors.

Seal to be affixed by authority of resolution of Board and in the presence of one Director and Secretary.

142. The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors. The Company may also have a Share Seal pursuant to Section 124 of the Act.

Power to have a Seal for use abroad.

DIVIDENDS AND RESERVES

143. Subject to any preferential or other special rights for the time being attached to any special class of shares and subject to the provisions of these Articles as to the reserve fund, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:-

Application of profits.

- (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
- (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

144. The Directors may, with the sanction of a General Meeting from time to time declare dividends but no such dividend shall (except as expressly authorised by the Act and/or other applicable law) be payable except out of the profits of the Company. The Directors may, if they think fit, from time to time declare and pay to the Members such interim dividends as appear to them to be justified by the position of the Company, and may also from time to time, if in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any shares are made payable on fixed dates. No higher dividend shall be paid than is recommended by the Directors, and the declaration of the Directors as to the amount of the profits at any time available for dividends shall be conclusive. No dividend shall carry interest.

Declaration of dividends.

145. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer or the entry of the transfer in the Depository Register, as the case may be.

Effect of transfer.

146. With the sanction of a General Meeting, dividends may be paid wholly or in part in specie, and may be satisfied in whole or in part by the distribution amongst the Members in accordance with their rights of fully paid shares, stock or debentures of any other company, or of any other property suitable for distribution as aforesaid. The Directors shall have full liberty to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as in their opinion may be necessary or expedient with a view to facilitating (1) the equitable distribution amongst the Members of the dividends or portions of dividends to be satisfied or to give them the benefit of their proper shares and interests in the property, or (2) the compliance of laws, or (3) the resolution of any difficulty arising in regard to the distribution, where the Directors may settle the same as they think expedient, and in particular, may issue fractional certificates, and may fix the value for distribution of such specific assets, or any part thereof and may determine that cash payments shall be made to any Member upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors, and no valuation, adjustment or arrangement so made shall be questioned by any Member. Without prejudice to the foregoing, where the Directors are of the view that any distribution of specific assets to any Member whose registered address as recorded in the Register or Depository Register, as the case may be, is not within Singapore may infringe any relevant foreign law or necessitate compliance with conditions or requirements which the Directors in their absolute discretion regard as onerous or impracticable by reason of costs, delay or otherwise, the Directors may distribute such assets to such person(s) as the Directors may appoint for the purposes of sale (on such terms and conditions as the Directors deem fit) and distribute the proceeds (if any) thereof, after deducting all dealing and other expenses in connection therewith, to such Member or Members on a pro-rata basis.

Dividend in specie.

147. Notice of declaration of any dividend, whether interim or otherwise, may be given by advertisement.

Notice of dividend.

148. (1) The Directors may retain the dividends payable upon shares or any part thereof in respect of which any person is under Article 47, entitled to become entered in the Register or the Depository Register, as the case may be, as a Member, or which any person under that Article is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

Power to retain dividends.

(2) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(3) The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If CDP returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable.

Unclaimed dividends.

149. (1) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary shares in the capital of the Company, the Directors may further resolve that Members entitled to such dividend shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:-

Scrip dividend.

- (a) the basis of any such allotment shall be determined by the Directors;
- (b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article 149;
- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding the provisions of these Articles to

the contrary), the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may be lawfully appropriated, capitalised, applied, paid or distributed for the purpose of the allotment and, without prejudice to the generality of the foregoing, the Directors may (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

- (2) (a) The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article 149 shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalisation, application, payment and distribution of funds pursuant to the provisions of paragraph (1) of this Article 149, with full power to make such provisions as they think fit in the case of fractional entitlements to shares (including notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members) and to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

(3) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 149, determine in their absolute discretion that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Article 149 shall be read and construed subject to such determination.

(4) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 149, further determine in their absolute discretion that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register or (as the case may be) the Depository Register are outside Singapore and if they have not supplied the Company or the Depository (as the case may be) address in Singapore for the service of notices or documents or to such other Members or class of Members as the Directors may in their absolute discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

(5) Notwithstanding the foregoing provisions of this Article 149, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article 149 in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstances (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal/allotment, the Directors may at their absolute discretion and as they deem fit in the interests of the Company, cancel the proposed application of paragraph (1) of this Article 149.

150. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund or reserve funds, which shall at the discretion of the Directors be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining any works connected with the business of the Company, or shall, as to the whole or in part, be applicable for special dividends or for equalising dividends, or for distribution by way of special dividend or bonus, or for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company, and pending such application the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company, or invest the same in such securities, other than the shares of the Company, as they may select. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund, any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it not prudent to divide.

Directors may form reserve fund and invest.

151. The Directors shall be at liberty to invest any sums carried to any reserve account or accounts upon such investments as they think fit, other than shares of the Company, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company (save as hereinbefore provided) and to divide the ordinary reserve account or accounts into such special accounts as they think fit with full power to employ the assets constituting the ordinary reserve account or accounts in the business of the company.

Power to invest.

152. Unless otherwise directed, any dividend may be paid by cheque, warrant or Post Office Order, sent through the post to the address of the Member entitled appearing in the Register or the Depository Register, as the case may be, or in the case of a joint Member to that one whose name shall stand first on the Register or the Depository Register, as the case may be, in respect of the joint shareholding, and every cheque, warrant or Post Office Order so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be responsible for the loss of any cheque, dividend warrant, or Post Office Order, which shall be sent by post duly addressed to the Member for whom it is intended. The payment by the Company to CDP of any dividend payable or distribution due to a Depositor shall, to the extent of the payment or distribution made, discharge the Company from any liability in respect of that payment or distribution. No unpaid dividend or interest shall bear interest as against the Company.

Payment by post.

153. The Directors may deduct from any dividend, bonus or other moneys payable to a Member in respect of any shares held by such Member, either alone or jointly with any other Member, any or all such sums or money as may be due and payable on every share held by him, either alone or jointly with any other person in respect of any debts, liabilities or engagements to the Company on account of calls or otherwise towards satisfaction (in whole or in part) of such debts, liabilities or engagements.

Deduction of debts due to Company.

154. So long as shares in the capital of the Company are listed for quotation on the Exchange, the Directors shall have power generally to take such steps (not inconsistent with these Articles) and to rely on such information as may be furnished by CDP as they may deem necessary, advisable or appropriate to implement these Articles or to achieve or facilitate the trading of the Company's shares, debentures or other securities through the Central Depository System established under the Act.

Central
Depository
System.

BONUS ISSUES AND CAPITALISATION OF RESERVES, ETC.

155. (1) The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to Article 9):-

Power to issue
bonus shares
and/or to
capitalise
reserves.

- (a) issue bonus shares for which no consideration is payable to the Company, to the persons registered as holders of shares in the Register or (as the case may be) in the Depository Register at the close of business on:
 - (i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided);
or
 - (ii) (in the case of an Ordinary Resolution passed pursuant to Article 9) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

- (b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of the profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register or (as the case may be) the Depository Register at the close of business on:-
 - (i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided);
or
 - (ii) (in the case of an Ordinary Resolution passed pursuant to Article 9) such other date as may be determined by the Directors,

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

(2) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Article 155(1), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which may arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue and/or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

Power of
Directors to
give effect to
bonus issues
and
capitalisations.

(3) In addition and without prejudice to the powers provided for by Article 155(1) and Article 155(2), the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by the Company in General Meeting in such manner and on such terms as the Directors shall think fit.

Power to issue shares and/or to capitalise reserves for employee share-based incentive plans.

ACCOUNTS

156. The Directors shall cause proper accounts and other records to be kept as are necessary to comply with the provisions of the Act and, in particular, with respect to:-

Accounts to be kept.

- (a) the assets and liabilities of the Company;
- (b) all sums of money received and expended by the Company, and the matters in respect of which, such receipts and expenditure take place; and
- (c) all sales and purchases of goods by the Company.

The books of accounts shall be kept at the Office, or at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors.

Books to be kept at Office.

157. The Directors shall from time to time determine whether, in any particular case or class of cases, or generally and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members and no Member (not being a Director) shall have any rights of inspection of any accounts or book or document of the Company, except as conferred by the Act or authorised by the Directors or by a resolution of the Company in General Meeting.

Accounts and books may be inspected by Members.

158. A copy of every balance sheet and profit and loss account which is to be laid before the Company in General Meeting (including every document required by law to be comprised therein or attached or annexed thereto) together with a copy of the Auditors' report relating thereto and of the Directors' report shall not less than fourteen days before the date of the meeting be sent to every Member of and every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles. Provided that this Article shall not require a copy of these documents to be sent to any person whose address the Company is not aware of or to more than one of joint holders of any shares or debentures, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application to the Office. The requisite number of copies of each such document shall at the same time be forwarded to the Exchange.

Copies of accounts.

AUDIT

159. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors, and the provisions of the Act and any modification or re-enactment thereof for the time being in force in regard to audit and Auditors shall be observed.

Accounts to be audited.

NOTICES

160. A notice or any other document may be served by the Company upon any Member either personally or by sending it through the post in a prepaid letter or by telex or facsimile transmission addressed to such Member at his address as appearing in the Register or the Depository Register, as the case may be, or by electronic communications to his current address.
161. Without prejudice to the provisions of Articles 160, any notice of meeting or other document (including, without limitation, any accounts, balance-sheet or report) which is required or permitted to be given, sent or served under the Act or under these Articles by the Company or the Directors, to a Member, the Auditor or an officer of the Company may be given, sent or served using electronic communications to the current address of that person in accordance with the provisions of the Act and/or any other applicable regulations or procedures.
162. All notices and other documents directed to be given to the Members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register or the Depository Register, as the case may be, and any notice or other document so given shall be sufficient notice to the Members in respect of such share.
163. Any Member described in the Register or the Depository Register, as the case may be, by an address not within the Republic of Singapore who shall from time to time give the Company or CDP, as the case may be, an address within the Republic of Singapore at which notices and other documents may be served upon him, shall be entitled to have served upon him at such address any notice or other document to which he would be entitled under these Articles, but save as aforesaid, only Members described in the Register or the Depository Register, as the case may be, by an address within the Republic of Singapore shall be entitled to receive any notice or other document from the Company.
164. Every person who shall become entitled in respect of any share (whether by operation of law, transfer or any other means whatsoever) shall be bound by every notice in respect of such share which, prior to his name and address being entered on the Register or the Depository Register, as the case may be, has been duly given to the person from whom he derives his title in respect of such share.
165. A notice or other document may be given by the Company to the persons entitled to any share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt Member, at the address (if any) in the Republic of Singapore or by electronic communications to the current address, as the case may be, supplied for the purpose of such persons as aforesaid, or (until such an address or current address, as the case may be, has been supplied) by giving the notice or other document in the manner in which the same would have been given if the death or bankruptcy had not occurred.
166. Any notice or other documents, if served or sent by post, shall be deemed to have been served or delivered at the time when the letter containing the same is put into the post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter. Any notice or other documents given, sent or served using electronic communication (as the case may be) shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the current address of such person or as otherwise provided under the Act and/or other applicable regulations or procedures.

Service of notices by Company.

Service by electronic communications.

How joint Members may be served.

Members abroad not entitled to notices unless they give address.

Transferees bound by prior notice.

Notice in case of death or bankruptcy.

When service effected.

167. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of a Director or the Secretary or other duly authorised officer of the Company, whether such signature is printed, written or electronically signed.

Signature on notice.

WINDING UP

168. If the Company shall be wound up, subject to due provision being made satisfying the claims of any holders of shares having attached thereto any special rights in regard to the repayment of capital, the surplus assets shall be distributed amongst the Members in proportion to the number of shares held by each Member (but where shares are partly paid, taking into account the proportion of the amounts paid or credited as paid on the partly paid shares) at the commencement of the winding up.

Distribution of assets in a winding up.

169. If the Company shall be wound up, the liquidators may, with the sanction of a Special Resolution, divide among the Members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the Members, but so that if any division is resolved on otherwise than in accordance with such rights the Members shall have the same rights of dissent and consequential rights as if such resolution were a Special Resolution passed pursuant to the Act. A Special Resolution sanctioning a transfer or sale to another company duly passed pursuant to the Act may in like manner authorise the distribution of any shares or other consideration receivable by the liquidators amongst the Members otherwise than in accordance with their existing rights, and any such determination shall be binding upon all the Members subject to the right of dissent and consequential rights conferred by the Act.

Distribution of assets in specie.

170. In the event of a winding up of the Company, every Member who is not for the time being in Singapore shall be bound, within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall with all convenient speed, give notice thereof to such Member by advertisement in any English newspaper widely circulated in Singapore or by a registered letter sent through the post and addressed to such Member at his address as appearing in the Register or the Depository Register, as the case may be, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

Service of notice.

INDEMNITY

171. Subject to the provisions of the Act, every Director, Auditor, or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in the Act), which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings whether civil or criminal which relates to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 391 of the Act in which relief is granted to him by the court. Without prejudice to the generality of the foregoing, no Director, Auditor, or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the

Officers entitled to indemnity.

insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own negligence, wilful default, breach of duty or breach of trust.

SECURITY CLAUSE

172. No Member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the Members to communicate to the public, save as may be required by law or the listing rules of the Exchange.

Secrecy clause.