

# LETTER TO SHAREHOLDERS



## SEMBCORP INDUSTRIES LTD

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 199802418D)

### Directors:

Ang Kong Hua (*Chairman*)  
Tang Kin Fei (*Group President & CEO*)  
Bobby Chin Yoke Choong (*Independent Director*)  
Margaret Lui (*Non-executive Director*)  
Tan Sri Mohd Hassan Marican (*Independent Director*)  
Tham Kui Seng (*Independent Director*)  
Dr Teh Kok Peng (*Independent Director*)  
Ajaib Haridass (*Independent Director*)  
Neil McGregor (*Non-executive Director*)  
Nicky Tan Ng Kuang (*Independent Director*)

### Registered Office:

30 Hill Street #05-04  
Singapore 179360

March 28, 2016

To: The Shareholders of  
Sembcorp Industries Ltd

Dear Sir/Madam

## 1. INTRODUCTION

### 1.1 Background. We refer to:

- (a) the Notice of the Eighteenth Annual General Meeting ("**AGM**") of the Company dated March 28, 2016 (the "**Notice**"), accompanying the Annual Report for the financial year ended December 31, 2015, convening the Eighteenth AGM of the Company to be held on April 19, 2016 (the "**2016 AGM**");
- (b) Ordinary Resolution No. 12 relating to the proposed renewal of the IPT Mandate (as defined in paragraph 2.1 below, as proposed in the Notice);
- (c) Ordinary Resolution No. 13 relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 3.1 below, as proposed in the Notice); and
- (d) Special Resolution No. 14 relating to the proposed adoption of the New Constitution (as defined in paragraph 4.2 below, as proposed in the Notice).

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company ("**Shareholders**") with information relating to Ordinary Resolution Nos. 12 and 13, and Special Resolution No. 14, proposed in the Notice (collectively, the "**Proposals**").

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Advice to Shareholders.** Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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### 2. THE PROPOSED RENEWAL OF THE IPT MANDATE

- 2.1 **IPT Mandate.** At the Extraordinary General Meeting of the Company held on April 21, 2015 (the “**2015 EGM**”), Shareholders approved the renewal of a mandate (the “**IPT Mandate**”) to enable the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the SGX-ST (the “**Listing Manual**”)) to enter into certain interested person transactions with the classes of interested persons as set out in the IPT Mandate. Particulars of the IPT Mandate were set out in the Appendix to the Circular to Shareholders dated March 30, 2015 (the “**2015 Circular**”).

The IPT Mandate was expressed to take effect until the conclusion of the next AGM of the Company, being the 2016 AGM which is scheduled to be held on April 19, 2016. Accordingly, the Directors of the Company (the “**Directors**”) propose that the IPT Mandate be renewed at the 2016 AGM, to take effect until the Nineteenth AGM of the Company.

- 2.2 **Appendix 1.** The IPT Mandate, including the rationale for, and the benefits to, the Company, the review procedures for determining transaction prices and other general information relating to Chapter 9 of the Listing Manual, are set out in Appendix 1 to this Letter. The terms of the IPT Mandate which is sought to be renewed remain unchanged.
- 2.3 **Audit Committee Statement.** The Audit Committee of the Company, comprising Messrs Bobby Chin Yoke Choong, Tham Kui Seng, Teh Kok Peng and Ajaib Haridass confirms that:
- (a) the methods or procedures for determining the transaction prices under the IPT Mandate have not changed since the 2015 EGM; and
  - (b) the methods or procedures referred to in paragraph 2.3(a) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

### 3. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

- 3.1 **Share Purchase Mandate.** At the 2015 EGM, Shareholders approved the renewal of a mandate (the “**Share Purchase Mandate**”) to enable the Company to purchase or otherwise acquire issued ordinary shares of the Company (“**Shares**”). The authority and limitations on the Share Purchase Mandate were set out in the 2015 Circular and Ordinary Resolution 2 set out in the Notice of the 2015 EGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 2 at the 2015 EGM and will expire on the date of the forthcoming 2016 AGM to be held on April 19, 2016. Accordingly, Shareholders’ approval is being sought for the renewal of the Share Purchase Mandate at the 2016 AGM.

As at March 1, 2016, being the latest practicable date prior to the printing of this Letter (the “**Latest Practicable Date**”), the Company had purchased or acquired an aggregate of 2,060,000 Shares by way of Market Purchases (as defined in paragraph 3.3.3 below) pursuant to the Share Purchase Mandate approved by Shareholders at the 2015 EGM. The highest and lowest price paid was S\$3.40 and S\$2.55 per Share respectively and the total consideration paid for all purchases was S\$6.5 million excluding commission, brokerage and goods and services tax.

As at the Latest Practicable Date, 2,727,253 Shares purchased or acquired by the Company were held as treasury shares.

- 3.2 **Rationale.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:
- (a) In managing the business of the Company and its subsidiaries (the “**Group**”), management strives to increase Shareholders’ value by improving, *inter alia*, the return on equity of the Group. Share purchase is one of the ways through which the return on equity of the Group may be enhanced.

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- (b) The Share Purchase Mandate is an available option for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to its Shareholders. In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure and its dividend policy.
- (c) Repurchased Shares which are held in treasury may be transferred for the purposes of employee share schemes implemented by the Company. The use of treasury shares in lieu of issuing Shares would also mitigate the dilution impact on existing Shareholders.

The approval of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 2% limit described in paragraph 3.3.1 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 2% limit as authorised and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Company.

- 3.3 **Authority and Limits.** The authority and limitations placed on the Share Purchase Mandate, if approved at the 2016 AGM, are the same as were previously approved by Shareholders at the 2015 EGM, and are summarised below:

3.3.1 **Maximum Number of Shares**

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 2% of the total number of issued Shares as at the date of the 2016 AGM. Any Shares which are held as treasury shares will be disregarded for purposes of computing the 2% limit.

Purely for illustrative purposes, on the basis of 1,787,547,732 Shares in issue as at the Latest Practicable Date and disregarding the 2,727,253 Shares held in treasury as at the Latest Practicable Date, and assuming no further Shares are issued, and no further Shares are purchased or acquired by the Company and no further Shares purchased or acquired by the Company are held as treasury shares, on or prior to the 2016 AGM, the purchase by the Company of up to the maximum limit of 2% of its issued Shares will result in the purchase or acquisition of 35,696,409 Shares.

3.3.2 **Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2016 AGM at which the renewal of the Share Purchase Mandate is approved, up to:

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

whichever is the earliest.

3.3.3 **Manner of Purchases or Acquisitions of Shares**

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

- (a) on-market purchases ("**Market Purchases**") transacted on the SGX-ST through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

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- (b) off-market purchases (“**Off-Market Purchases**”) effected pursuant to an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, Chapter 50 (the “**Companies Act**”) as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances; and
- (3) information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

### 3.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.

The purchase price to be paid for the Shares must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“**Average Closing Price**” means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period; and

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 3.4 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company, which are cancelled and are not held as treasury shares.

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

3.5.1 **Maximum Holdings**

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

3.5.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

3.5.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time but subject always to the Singapore Code on Take-overs and Mergers (the "**Take-over Code**"):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer and cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

3.6 **Source of Funds.** The Company may purchase or acquire its own Shares out of capital, as well as from its profits.

The Company will use the internal sources of funds of the Group to finance the Company's purchase or acquisition of the Shares. The Company does not intend to obtain or incur any external borrowings to finance such purchase or acquisition. The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements of the Group.

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3.7 **Financial Effects.** The financial effects on the Group and the Company arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Group and the Company, based on the audited financial statements of the Group and the Company for the financial year ended December 31, 2015, are based on the assumptions set out below.

3.7.1 **Purchase or Acquisition out of Profits and/or Capital**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of dividends by the Company will not be reduced.

3.7.2 **Number of Shares Acquired or Purchased**

Based on the number of issued and paid-up Shares as at the Latest Practicable Date (excluding the 2,727,253 Shares held in treasury) and on the assumptions set out in paragraph 3.3.1 above, the purchase by the Company of up to the maximum limit of 2% of its issued Shares will result in the purchase or acquisition of 35,696,409 Shares.

3.7.3 **Maximum Price Paid for Shares Acquired or Purchased**

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 35,696,409 Shares at the maximum price of S\$2.79 for one Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 35,696,409 Shares is S\$99,592,981.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 35,696,409 Shares at the maximum price of S\$2.92 for one Share (being the price equivalent to 110% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 35,696,409 Shares is S\$104,233,514.

3.7.4 **Illustrative Financial Effects**

The financial effects on the Group and the Company arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the purchase or acquisition is made out of profits and/or capital, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time and whether the Shares purchased or acquired are cancelled or held in treasury.

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 3.7.2 and 3.7.3 above, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended December 31, 2015, are set out below and assuming the following:

- (a) the purchase or acquisition of 35,696,409 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made equally out of profits and capital, and cancelled;
- (b) the purchase or acquisition of 35,696,409 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made equally out of profits and capital, and held in treasury;

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- (c) the purchase or acquisition of 35,696,409 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made equally out of profits and capital, and cancelled;
- (d) the purchase or acquisition of 35,696,409 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made equally out of profits and capital, and held in treasury;
- (e) the purchase or acquisition of 35,696,409 Shares by the Company pursuant to the Share Purchase Mandate had occurred on January 1, 2015; and
- (f) 4,000 treasury shares transferred for a total consideration of S\$0.010 million arising from the exercise of share options granted pursuant to the SembCorp Industries Share Option Plan between January 1, 2016 and the Latest Practicable Date had been purchased since January 1, 2015,

the financial effects on the audited financial statements of the Group and the Company for the financial year ended December 31, 2015 would have been as follows:

### **Scenario 1(A)**

#### ***Market Purchases of up to a maximum of 2% made equally out of profits (1%) and capital (1%) and cancelled***

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
	S\$'000	S\$'000	S\$'000	S\$'000
Share Capital	565,572	515,775 <sup>(1)</sup>	565,572	515,775 <sup>(1)</sup>
Other Reserves	(134,298)	(134,298)	(5,020)	(5,020)
Accumulated Profits	5,207,742	5,157,945 <sup>(1)</sup>	1,756,013	1,706,216 <sup>(1)</sup>
	<u>5,639,016</u>	<u>5,539,422</u>	<u>2,316,565</u>	<u>2,216,971</u>
Treasury Shares	(9,572)	(9,572)	(9,572)	(9,572)
	<u>5,629,444</u>	<u>5,529,850</u>	<u>2,306,993</u>	<u>2,207,399</u>
Perpetual Securities	802,688	802,688	802,688	802,688
Non-controlling Interests	1,610,430	1,610,430	–	–
Total Equity	<u>8,042,562</u>	<u>7,942,968</u>	<u>3,109,681</u>	<u>3,010,087</u>
Net Assets <sup>(2)</sup>	6,432,132	6,332,538	3,109,681	3,010,087
Current Assets	7,606,758	7,507,164	480,211	380,617
Current Liabilities	5,946,029	5,946,029	200,233	200,233
Total Borrowings	6,832,949	6,832,949	247,003	247,003
Cash and Cash Equivalents	1,605,557	1,505,963	324,900	225,306
Number of issued and paid-up Shares	1,784,820,479	1,749,124,070 <sup>(3)</sup>	1,784,820,479	1,749,124,070 <sup>(3)</sup>
Weighted average number of Shares	1,785,409,204	1,749,712,795	1,785,409,204	1,749,712,795
Net profit attributable to owners of the Company, less distribution to holders of perpetual securities	520,916	520,916	657,936	657,936
<b>Financial Ratios</b>				
Basic EPS (cents) <sup>(4)</sup>	29.18	29.77	36.85	37.60
Net Asset Value per Share (S\$)	3.60	3.62	1.74	1.72
Total Debt-to-Capitalisation ratio <sup>(5)</sup>	0.46	0.46	0.07	0.08

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### Notes:

- (1) The Market Purchases are computed based on the price of S\$2.79 which is equivalent to 105% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date.
- (2) Net Assets attributable to owners of the Company and holders of perpetual securities.
- (3) 1,749,124,070 Shares are computed based on an additional 35,696,409 Shares purchased and cancelled.
- (4) Earnings per share is based on net profit attributable to the owners of the Company, less distribution to holders of perpetual securities.
- (5) Total Debt-to-Capitalisation ratio means the ratio of total borrowings to the total of borrowings and equity.

### ***Scenario 1(B)***

#### ***Market Purchases of up to a maximum of 2% made equally out of profits (1%) and capital (1%) and held as treasury shares***

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
Share Capital	565,572	565,572 <sup>(1)</sup>	565,572	565,572 <sup>(1)</sup>
Other Reserves	(134,298)	(134,298)	(5,020)	(5,020)
Accumulated Profits	5,207,742	5,207,742 <sup>(1)</sup>	1,756,013	1,756,013 <sup>(1)</sup>
	5,639,016	5,639,016	2,316,565	2,316,565
Treasury Shares	(9,572)	(109,166)	(9,572)	(109,166)
	5,629,444	5,529,850	2,306,993	2,207,399
Perpetual Securities	802,688	802,688	802,688	802,688
Non-controlling Interests	1,610,430	1,610,430	–	–
Total Equity	<u>8,042,562</u>	<u>7,942,968</u>	<u>3,109,681</u>	<u>3,010,087</u>
Net Assets <sup>(2)</sup>	6,432,132	6,332,538	3,109,681	3,010,087
Current Assets	7,606,758	7,507,164	480,211	380,617
Current Liabilities	5,946,029	5,946,029	200,233	200,233
Total Borrowings	6,832,949	6,832,949	247,003	247,003
Cash and Cash Equivalents	1,605,557	1,505,963	324,900	225,306
Number of issued and paid-up Shares	1,784,820,479	1,749,124,070 <sup>(3)</sup>	1,784,820,479	1,749,124,070 <sup>(3)</sup>
Weighted average number of Shares	1,785,409,204	1,749,712,795	1,785,409,204	1,749,712,795
Net profit attributable to owners of the Company, less distribution to holders of perpetual securities	520,916	520,916	657,936	657,936
<b>Financial Ratios</b>				
Basic EPS (cents) <sup>(4)</sup>	29.18	29.77	36.85	37.60
Net Asset Value per Share (S\$)	3.60	3.62	1.74	1.72
Total Debt-to-Capitalisation ratio <sup>(5)</sup>	0.46	0.46	0.07	0.08



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### Notes:

- (1) The Market Purchases are computed based on the price of S\$2.79 which is equivalent to 105% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date.
- (2) Net Assets attributable to owners of the Company and holders of perpetual securities.
- (3) 1,749,124,070 Shares are computed based on an additional 35,696,409 Shares purchased and held as treasury shares.
- (4) Earnings per share is based on net profit attributable to the owners of the Company, less distribution to holders of perpetual securities.
- (5) Total Debt-to-Capitalisation ratio means the ratio of total borrowings to the total of borrowings and equity.

### **Scenario 1(C)**

#### ***Off-Market Purchases of up to a maximum of 2% made equally out of profits (1%) and capital (1%) and cancelled***

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
Share Capital	565,572	513,455 <sup>(1)</sup>	565,572	513,455 <sup>(1)</sup>
Other Reserves	(134,298)	(134,298)	(5,020)	(5,020)
Accumulated Profits	5,207,742	5,155,625 <sup>(1)</sup>	1,756,013	1,703,896 <sup>(1)</sup>
	<u>5,639,016</u>	<u>5,534,782</u>	<u>2,316,565</u>	<u>2,212,331</u>
Treasury Shares	(9,572)	(9,572)	(9,572)	(9,572)
	<u>5,629,444</u>	<u>5,525,210</u>	<u>2,306,993</u>	<u>2,202,759</u>
Perpetual Securities	802,688	802,688	802,688	802,688
Non-controlling Interests	1,610,430	1,610,430	–	–
Total Equity	<u>8,042,562</u>	<u>7,938,328</u>	<u>3,109,681</u>	<u>3,005,447</u>
Net Assets <sup>(2)</sup>	6,432,132	6,327,898	3,109,681	3,005,447
Current Assets	7,606,758	7,502,524	480,211	375,977
Current Liabilities	5,946,029	5,946,029	200,233	200,233
Total Borrowings	6,832,949	6,832,949	247,003	247,003
Cash and Cash Equivalents	1,605,557	1,501,323	324,900	220,666
Number of issued and paid-up Shares	1,784,820,479	1,749,124,070 <sup>(3)</sup>	1,784,820,479	1,749,124,070 <sup>(3)</sup>
Weighted average number of Shares	1,785,409,204	1,749,712,795	1,785,409,204	1,749,712,795
Net profit attributable to owners of the Company, less distribution to holders of perpetual securities	520,916	520,916	657,936	657,936
<b>Financial Ratios</b>				
Basic EPS (cents) <sup>(4)</sup>	29.18	29.77	36.85	37.60
Net Asset Value per Share (S\$)	3.60	3.62	1.74	1.72
Total Debt-to-Capitalisation ratio <sup>(5)</sup>	0.46	0.46	0.07	0.08

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### Notes:

- (1) The Off-Market Purchases are computed based on the price of S\$2.92 which is equivalent to 110% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date.
- (2) Net Assets attributable to owners of the Company and holders of perpetual securities.
- (3) 1,749,124,070 Shares are computed based on an additional 35,696,409 Shares purchased and cancelled.
- (4) Earnings per share is based on net profit attributable to the owners of the Company, less distribution to holders of perpetual securities.
- (5) Total Debt-to-Capitalisation ratio means the ratio of total borrowings to the total of borrowings and equity.

### **Scenario 1(D)**

#### ***Off-Market Purchases of up to a maximum of 2% made equally out of profits (1%) and capital (1%) and held as treasury shares***

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
	S\$'000	S\$'000	S\$'000	S\$'000
Share Capital	565,572	565,572 <sup>(1)</sup>	565,572	565,572 <sup>(1)</sup>
Other Reserves	(134,298)	(134,298)	(5,020)	(5,020)
Accumulated Profits	5,207,742	5,207,742 <sup>(1)</sup>	1,756,013	1,756,013 <sup>(1)</sup>
	5,639,016	5,639,016	2,316,565	2,316,565
Treasury Shares	(9,572)	(113,806)	(9,572)	(113,806)
	5,629,444	5,525,210	2,306,993	2,202,759
Perpetual Securities	802,688	802,688	802,688	802,688
Non-controlling Interests	1,610,430	1,610,430	–	–
Total Equity	<u>8,042,562</u>	<u>7,938,328</u>	<u>3,109,681</u>	<u>3,005,447</u>
Net Assets <sup>(2)</sup>	6,432,132	6,327,898	3,109,681	3,005,447
Current Assets	7,606,758	7,502,524	480,211	375,977
Current Liabilities	5,946,029	5,946,029	200,233	200,233
Total Borrowings	6,832,949	6,832,949	247,003	247,003
Cash and Cash Equivalents	1,605,557	1,501,323	324,900	220,666
Number of issued and paid-up Shares	1,784,820,479	1,749,124,070 <sup>(3)</sup>	1,784,820,479	1,749,124,070 <sup>(3)</sup>
Weighted average number of Shares	1,785,409,204	1,749,712,795	1,785,409,204	1,749,712,795
Net profit attributable to owners of the Company, less distribution to holders of perpetual securities	520,916	520,916	657,936	657,936
<b>Financial Ratios</b>				
Basic EPS (cents) <sup>(4)</sup>	29.18	29.77	36.85	37.60
Net Asset Value per Share (S\$)	3.60	3.62	1.74	1.72
Total Debt-to-Capitalisation ratio <sup>(5)</sup>	0.46	0.46	0.07	0.08

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### Notes:

- (1) The Off-Market Purchases are computed based on the price of S\$2.92 which is equivalent to 110% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date.
- (2) Net Assets attributable to owners of the Company and holders of perpetual securities.
- (3) 1,749,124,070 Shares are computed based on an additional 35,696,409 Shares purchased and cancelled.
- (4) Earnings per share is based on net profit attributable to the owners of the Company, less distribution to holders of perpetual securities.
- (5) Total Debt-to-Capitalisation ratio means the ratio of total borrowings to the total of borrowings and equity.

**The financial effects set out above are for illustrative purposes only. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 2% of the issued Shares (excluding the Shares held in treasury), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 2% of the issued Shares (excluding the Shares held in treasury). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.**

- 3.8 **Listing Status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, Temasek Holdings (Private) Limited (“**Temasek**”), who is a substantial Shareholder of the Company, has a direct interest in 48.81% (excluding the Shares held in treasury), a deemed interest (through Startree Investments Pte Ltd) in 0.53% (excluding the Shares held in treasury) and a deemed interest in approximately 0.19% (excluding the Shares held in treasury) of the issued Shares. Approximately 50.47% of the issued Shares (excluding the Shares held in treasury) are held by public Shareholders.

The Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 2% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

- 3.9 **Listing Rules.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and the number of treasury shares held after the purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period of one month immediately preceding the announcement of the Company’s full-year results and the period of two weeks before the announcement of the first quarter, second quarter and third quarter results.

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

3.10.1 **Obligation to Make a Take-over Offer**

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

3.10.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
  - (i) a company;
  - (ii) the parent company of (i);
  - (iii) the subsidiaries of (i);
  - (iv) the fellow subsidiaries of (i);
  - (v) the associated companies of any of (i), (ii), (iii) or (iv);
  - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
  - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

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

3.10.3 **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, the 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 the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

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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% and 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.

Based on the interests of substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, Temasek would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum limit of 2% of its issued Shares as at the Latest Practicable Date.

**Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases by the Company.**

#### 4. THE PROPOSED ADOPTION OF THE NEW CONSTITUTION

- 4.1 **Companies (Amendment) Act 2014.** The Companies (Amendment) Act 2014 (the "**Amendment Act**"), which was passed in Parliament on October 8, 2014 and took effect in phases on July 1, 2015 and January 3, 2016 respectively, introduced wide-ranging changes to the Companies Act. The changes aim to reduce regulatory burden on companies, provide for greater business flexibility and improve the corporate governance landscape in Singapore. The key changes include the introduction of a multiple proxies regime to enfranchise indirect investors and CPF investors, provisions to facilitate the electronic transmission of notices and documents, and the merging of the memorandum and articles of association of a company into one document called the "constitution".
- 4.2 **New Constitution.** The Company is accordingly proposing to adopt a new constitution (the "**New Constitution**"), which will consist of the memorandum and articles of association of the Company which were in force immediately before January 3, 2016 (the "**Existing Constitution**"), and incorporate amendments to take into account the changes to the Companies Act introduced pursuant to the Amendment Act. At the same time, the existing objects clauses will be replaced with a general provision giving the Company full capacity to carry on or undertake any business or activity, do any act or enter into any transaction. The proposed New Constitution also contains updated provisions which are consistent with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual. In addition, the Company is taking this opportunity to include provisions in the New Constitution to address the personal data protection regime in Singapore, and also to streamline and rationalise certain other provisions.
- 4.3 **Summary of Principal Provisions.** The following is a summary of the principal provisions of the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions:

##### 4.3.1 **Companies Act**

The following articles include provisions which are in line with the Companies Act, as amended pursuant to the Amendment Act:

- (a) **Article 1 (Article 2 of Existing Constitution).** Article 1, which is the interpretation section of the New Constitution, includes the following additional/revised provisions:
- (i) a revised definition of "in writing" to make it clear that this expression includes any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether physical or electronic. This would facilitate, for example, a proxy instrument being in either physical or electronic form;
  - (ii) new definitions of "registered address" and "address" to make it clear that these expressions mean, in relation to any Shareholder, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly specified;

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- (iii) a new provision stating that the expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Securities and Futures Act, Chapter 289 (the “SFA”). This follows the migration of the provisions in the Companies Act which relate to the Central Depository System to the SFA pursuant to the Amendment Act; and
  - (iv) a new provision stating that the expressions “current address”, “electronic communication” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Companies Act. This follows the introduction of new provisions facilitating electronic communication and the multiple proxies regime pursuant to the Amendment Act.
- (b) **Article 6(B).** Article 6(B) is a new provision which provides that new shares may be issued for no consideration. This is in line with new section 68 of the Companies Act, which clarifies that a company having a share capital may issue shares for which no consideration is payable to the issuing company.
- (c) **Article 12 (Article 9 of Existing Constitution).** Article 12, which relates to the Company’s power to alter its share capital, has new provisions which:
- (i) empower the Company, by Ordinary Resolution, to convert its share capital or any class of shares from one currency to another currency. This is in line with new section 73 of the Companies Act, which sets out the procedure for such re-denominations; and
  - (ii) empower the Company, by Special Resolution, to convert one class of shares into another class of shares. This is in line with new section 74A of the Companies Act, which sets out the procedure for such conversions.
- (d) **Article 19 (Article 16 of Existing Constitution).** The requirement to disclose the amount paid on the shares in the share certificate relating to those shares has been removed in article 19, which relates to share certificates. A share certificate need only state (*inter alia*) the number and class of the shares, whether the shares are fully or partly paid up, and the amount (if any) unpaid on the shares. This follows the amendments to section 123(2) of the Companies Act pursuant to the Amendment Act.
- (e) **Article 56 (Article 54 of Existing Constitution).** Article 56, which relates to the routine business that is transacted at an AGM, has been revised to:
- (i) substitute the references to “accounts” with “financial statements”, and references to “reports of the Directors” with “Directors’ statement”, for consistency with the updated terminology in the Companies Act;
  - (ii) expand the routine business items to include, in addition to the re-appointment of the retiring Auditor, the appointment of a new Auditor; and
  - (iii) clarify the types of Directors’ remuneration which will be subject to Shareholder approval as routine business.
- (f) **Article 64(B) (Article 62 of Existing Constitution).** Article 64(B), which relates to the method of voting at a general meeting where mandatory polling is not required, has been revised to reduce the threshold for eligibility to demand a poll from 10% to 5% of the total voting rights of the members having the right to vote at the meeting, or of the total sum paid up on all the shares conferring that right. This is in line with section 178 of the Companies Act, as amended pursuant to the Amendment Act.

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- (g) **Articles 68, 74 and 76(A) (Articles 66, 72 and 74 of Existing Constitution).** Articles 68, 74 and 76(A), which relate to the voting rights of Shareholders and the appointment and deposit of proxies, have new provisions which cater to the multiple proxies regime introduced by the Amendment Act. The multiple proxies regime allows “relevant intermediaries”, such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board, to appoint more than two proxies to attend, speak and vote at general meetings. In particular:
- (i) article 74(A) provides that save as otherwise provided in the Companies Act, a Shareholder who is a “relevant intermediary” may appoint more than two proxies to attend, speak and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Shareholder, and where such Shareholder’s form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed must be specified in the form of proxy. This is in line with new section 181(1C) of the Companies Act;
  - (ii) article 74(B) provides that the Company will be entitled and bound to reject an instrument of proxy lodged by a Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 (previously 48) hours before the time of the relevant general meeting. Consequential changes have also been made in articles 68 and 74(B) to make it clear that the number of votes which a Depositor or his proxy can cast on a poll is the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting. This is in line with new section 81SJ(4) of the SFA;
  - (iii) article 68 provides that in the case of a Shareholder who is a “relevant intermediary” and who is represented at a general meeting by two or more proxies, each proxy shall be entitled to vote on a show of hands. This is in line with new section 181(1D) of the Companies Act; and
  - (iv) the cut-off time for the deposit of proxies has been extended from 48 to 72 hours before the time appointed for holding the general meeting in article 76(A). This is in line with section 178(1)(c) of the Companies Act, as amended pursuant to the Amendment Act.
- (h) **Article 96 (Article 95 of Existing Constitution).** Article 96, which relates to the filling of the office vacated by a retiring Director in default circumstances except in certain cases, has been revised to remove the event of a Director attaining any applicable retiring age as an exception to a deemed re-election to office. This follows the repeal of section 153 of the Companies Act and removal of the 70-year age limit for directors of public companies and subsidiaries of public companies.
- (i) **Article 113 (Article 112 of Existing Constitution).** Article 113, which relates to the general powers of the Directors to manage the Company’s business, incorporates drafting changes and also clarifies that the business and affairs of the Company are to be managed by or, additionally, under the direction or supervision of, the Directors. These changes are in line with section 157A of the Companies Act, as amended pursuant to the Amendment Act.
- (j) **Articles 122, 140 and 141 (Articles 121, 136 and 137 of Existing Constitution).** Article 141, which relates to the sending of the Company’s financial statements and related documents to Shareholders, additionally provides that such documents may, subject to the listing rules of the SGX-ST, be sent less than 14 days before the date of the general meeting with the agreement of all persons entitled to receive notices of general meetings. This is in line with new section 203(2) of the Companies Act, which provides that the requisite financial statements and other related documents may be sent less than 14 days before the date of the general meeting at which they are to be laid if all the persons entitled to receive notice of general meetings of the company so agree. Notwithstanding this proviso, the Company is currently required to comply with Rule 707(2) of the Listing Manual, which provides that an issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting. The requirement to send these documents to debenture holders has also been removed in article 141.

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The references to the Company's "accounts", "profit and loss account(s)" and Directors' "reports" have also been updated/substituted in articles 122, 140 and 141 with references to "financial statements" and Directors' "statements", as appropriate, for consistency with the updated terminology in the Companies Act.

- (k) **Article 144 (Articles 140 and 140A of Existing Constitution).** Article 144, which relates to the service of notices to Shareholders, has new provisions to facilitate the electronic transmission of notices and documents following the introduction of simplified procedures for the sending of notices and documents electronically pursuant to new section 387C of the Companies Act.

Under new section 387C, notices and documents may be given, sent or served using electronic communications with the express, implied or deemed consent of the member in accordance with the constitution of the company.

There is express consent if a shareholder expressly agrees with the company that notices and documents may be given, sent or served on him using electronic communications. There is deemed consent if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that shareholders will be given an opportunity to elect, within a specified period of time, whether to receive electronic or physical copies of such notices and documents, and the shareholder fails to make an election within the specified period of time. There is implied consent if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that shareholders agree to receive such notices or documents by way of electronic communications and do not have a right to elect to receive physical copies of such notices and documents. Certain safeguards for the use of the deemed consent and implied consent regimes are prescribed under new regulation 89C of the Companies Regulations.

New section 387C was introduced to give effect to recommendations by the Steering Committee for Review of the Companies Act to ease the rules for the use of electronic transmission and to make them less prescriptive, and these recommendations were accepted by the Ministry of Finance ("MOF"). In accepting these recommendations, the MOF noted the concerns of some shareholders who would prefer to have an option to receive physical copies of the notices and documents, notwithstanding that the company adopts the implied consent regime, and indicated that such shareholders could highlight their concerns when a company proposes amendments to its constitution to move to an implied consent regime.

Shareholders who are supportive of the new deemed consent and implied consent regimes for electronic communications may vote in favour of the adoption of the New Constitution, which incorporates new provisions (contained in article 144) to facilitate these regimes, while Shareholders who are not supportive of the new regimes may vote against it.

Article 144 provides that:

- (i) notices and documents may be sent to Shareholders using electronic communications either to a Shareholder's current address (which may be an email address) or by making it available on a website;
- (ii) for these purposes, a Shareholder is deemed to have agreed to receive such notice or document by way of electronic communications and shall not have a right to elect to receive a physical copy of such notice or document (this is the implied consent regime permitted under the new section 387C); and
- (iii) notwithstanding sub-paragraph (ii) above, the Directors may decide to give Shareholders an opportunity to elect to opt out of receiving such notice or document by way of electronic communications, and a Shareholder is deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity but failed to opt out within the specified time (this is the deemed consent regime permitted under the new section 387C).



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Article 144 additionally provides for when service is effected in the case of notices or documents sent by electronic communications. In particular, where a notice or document is made available on a website, it is deemed served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Companies Act and/or other applicable regulations or procedures. Further, in the case of service on a website, the Company must give separate notice of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by (1) sending such separate notice to Shareholders personally or by post, and/or (2) sending such separate notice to Shareholders' current addresses (which may be email addresses), and/or (3) by way of advertisement in the daily press, and/or (4) by way of announcement on the SGX-ST.

Under new regulation 89D of the Companies Regulations, notices or documents relating to take-over offers and rights issues are excluded from the application of section 387C and therefore cannot be transmitted by electronic means pursuant to section 387C.

As at the Latest Practicable Date, the outcome of a public consultation by the SGX-ST on (*inter alia*) whether listed issuers should be allowed to send notices and documents to shareholders electronically under the new regimes permitted under the Companies Act is not known yet. In its consultation, the SGX-ST had also asked for comments on additional safeguards in relation to the new regimes. There is no certainty that the listing rules will be amended to allow electronic transmission of notices and documents under the new regimes. Going forward, for so long as the Company is listed on the SGX-ST, the Company will not make use of the new regimes to transmit notices or documents electronically to Shareholders unless the SGX-ST's listing rules allow it, and the Company will comply with the SGX-ST's listing rules on the subject.

- (l) **Article 151 (Article 148 of Existing Constitution).** Article 151, which relates to Directors' indemnification, has been expanded to permit the Company, subject to the provisions of and so far as may be permitted by the Companies Act, to indemnify a Director against losses "to be incurred" by him in the execution of his duties. This is in line with new sections 163A and 163B of the Companies Act, which permit a company to lend, on specified terms, funds to a director for meeting expenditure incurred "or to be incurred" by him in defending court proceedings or regulatory investigations.

### 4.3.2 **Objects clauses**

The existing objects clauses contained in the Existing Constitution are proposed to be deleted and substituted with a general provision in the New Constitution to the effect that, subject to the provisions of the Companies Act and any other written law and its constitution, the Company has:

- (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
- (b) for these purposes, full rights, powers and privileges.

This is in line with section 23 of the Companies Act, which provides that a company has full capacity to carry on or undertake any business or activity, do any act or enter into any transactions, subject to the law and to the provisions of its constitution.

By deleting the existing objects clauses (which sets out an extensive list of the activities which the Company has capacity or power to engage in) and taking advantage of the flexibility afforded by section 23, the Company will have all the powers of a natural person, with full capacity and ability to carry on or undertake any business or activity, and to enter into any transaction. This will facilitate the Company in adapting to the rapidly changing business environment, and to undertake various business activities and enter into business transactions for the benefit of the Company and its Shareholders. The proposed change will also remove any uncertainty as to whether the Company has the power to act in a particular way or to engage in a particular transaction arising from unduly restrictive provisions in the specific objects clauses.

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Notwithstanding the deletion of the existing objects clauses, the Company will still be required to comply with the Companies Act and the Listing Manual in carrying on its business and undertaking business activities. For example, if required by Chapter 10 of the Listing Manual, the Company will have to obtain Shareholders' approval to enter into a transaction for the acquisition or disposal of assets. Also, if required by Rule 104 of the Listing Manual, a change in the principal business of the Company will be subject to the SGX-ST's approval if in the SGX-ST's opinion, the integrity of the market may be adversely affected, or it is in the interests of the public to do so.

### 4.3.3 **Listing Manual**

Rule 730(2) of the Listing Manual provides that if an issuer amends its articles or other constituent documents, they must be made consistent with all the listing rules prevailing at the time of amendment.

The following articles have been updated to ensure consistency with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual:

- (a) **Article 6(A).** Article 6(A) is a new provision which provides that the rights attaching to shares of a class other than ordinary shares must be expressed in the constitution. This is in line with paragraph (1)(b) of Appendix 2.2 of the Listing Manual.
- (b) **Article 7 (Article 4 of Existing Constitution).** The proviso in Article 4 of the Existing Constitution (which relates to the issue of shares) that "*no shares shall be issued to transfer a controlling interest in the Company without the prior approval of members in a General Meeting*" has been removed in the equivalent article 7 in the New Constitution, as this requirement has been removed from Appendix 2.2 of the Listing Manual. Notwithstanding the removal of this proviso, the Company is currently required to comply with Rule 803 of the Listing Manual, which continues to preserve this requirement as a listing rule.
- (c) **Article 11(A) (Article 8(A) of Existing Constitution).** Article 11(A), which relates to the offer of new shares to members, makes it clear (*inter alia*) that, unless otherwise permitted under the listing rules of the SGX-ST, such shares shall, before issue, be offered to members in proportion to their existing shareholdings. This requirement is in line with paragraph (1)(f) of Appendix 2.2 of the Listing Manual.
- (d) **Article 35 (Article 33 of Existing Constitution).** Article 35, which relates to the Company's lien on shares, clarifies that the lien extends to dividends from time to time declared in respect of such shares, and that the lien is restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, in addition to such amount as the Company may be called upon by law to pay in respect of those shares. These clarifications are in line with paragraph (3)(a) of Appendix 2.2 of the Listing Manual.
- (e) **Articles 64, 65, 66 and 67 (Articles 62, 63, 64 and 65 of Existing Constitution).** Article 64, which relates to the method of voting at general meetings, has new provisions to make it clear that, if required by the listing rules of the SGX-ST, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the SGX-ST). Consequential changes have been made to articles 65, 66 and 67. These changes are in line with Rule 730A of the Listing Manual.
- (f) **Articles 93 and 96 (Articles 92 and 95 of Existing Constitution).** Article 93, which relates to the vacation of office of a Director in certain events, additionally provides that a Director shall cease to hold office if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. Consequential changes have been made to article 96, which relates to the filling of the office vacated by a retiring Director in certain default events, to provide that a retiring Director is deemed to be re-elected in certain default circumstances except, additionally, where he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. These changes are in line with paragraph (9)(n) of

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Appendix 2.2 of the Listing Manual.

- (g) **Article 98 (Article 97 of Existing Constitution).** Article 98, which relates to the notice of intention to appoint a Director other than a Director retiring at a meeting, clarifies that such notice of intention, or notice from the person to be proposed giving his consent to the nomination and signifying his candidature for the office, must be lodged at the registered office of the Company not less than 11 nor more than 42 clear days before the date appointed for the meeting. This is in line with paragraph 9(h) of Appendix 2.2 of the Listing Manual.
- (h) **Article 105 (Article 104 of Existing Constitution).** Article 105, which relates to when a Director is prohibited from voting in respect of contracts or arrangements in which he has an interest, provides that he cannot vote in respect of such contracts or arrangements in which he has any “personal material” interest, directly or indirectly. This is in line with paragraph (9)(e) of Appendix 2.2 of the Listing Manual.
- (i) **Article 106 (Article 105 of Existing Constitution).** Article 106, which relates to the proceedings of Directors in case of vacancies in their body, has additional provisions to make it clear that where the number of Directors is reduced to below the minimum number, the continuing Directors(s) may act only for the purpose of filling up such vacancies or of summoning general meetings, except in an emergency. This additional clarification is in line with paragraph (9)(k) of Appendix 2.2 of the Listing Manual.

### 4.3.4 PDPA

In general, under the Personal Data Protection Act 2012, an organisation can only collect, use or disclose the personal data of an individual with the individual’s consent, and for a reasonable purpose which the organisation has made known to the individual. The new article 153 specifies, *inter alia*, the purposes for which the Company and/or its agents and service providers would collect, use and disclose personal data of Shareholders and their appointed proxies or representatives.

### 4.3.5 General

The following articles have been updated, streamlined and rationalised generally:

- (a) **Article 20 (Article 17 of Existing Constitution).** Article 20, which relates to the rights and liabilities of joint holders of shares, has been streamlined with respect to the registration of such joint holders. In addition, certain existing provisions relating to the transmission of a share on death of one or more joint holders have been removed as they are addressed in the transmission provisions of the New Constitution.
- (b) **Article 52 (Article 50 of Existing Constitution).** Article 52, which relates to the time-frame for holding AGMs, has been revised to make it clear that an AGM shall be held once in every year within a period of not more than 15 months after the last preceding AGM, but that this is save as otherwise permitted under the Companies Act. This will provide the Company with the flexibility, if the need to do so should arise, to apply for an extension of the 15-month period between AGMs in accordance with the provisions of the Companies Act, notwithstanding that the period may extend beyond the calendar year.
- (c) **Articles 75 and 76 (Articles 73 and 74 of Existing Constitution).** Article 75, which relates to the execution of proxies, has new provisions to facilitate the appointment of a proxy through electronic means online. In particular, it provides that a Shareholder can elect to signify his approval for the appointment of a proxy via electronic communication, through such method and in such manner as may be approved by the Directors, in lieu of the present requirement of signing, or where applicable, the affixation of the corporate Shareholder’s common seal.

For the purpose of accommodating the deposit by Shareholders, and receipt by the Company, of electronic proxy instructions by Shareholders who elect to use the electronic appointment process, article 76, which relates to the deposit of proxies, has new provisions which authorise the Directors to prescribe and determine the manner of receipt by the Company of the

## LETTER TO SHAREHOLDERS

instrument appointing a proxy through digital means.

- (d) **Articles 78 and 93(e) (Articles 76 and 92(d) of Existing Constitution).** These articles have been updated to substitute the references to insane persons and persons of unsound mind with references to persons who are mentally disordered and incapable of managing himself or his affairs, following the enactment of the Mental Health (Care and Treatment) Act, Chapter 178A, which repealed and replaced the Mental Disorders and Treatment Act.
- (e) **Articles 89, 90, 91 and 92 (Articles 88, 89, 90 and 91 of Existing Constitution).** Articles 89, 90, 91 and 92 which regulate the appointment, resignation, remuneration and power of the Chief Executive Officer, have been updated to expand the reference to “Chief Executive Officer” to also include a person holding an equivalent position.
- (f) **Article 94 (Article 93 of Existing Constitution).** Article 94, which relates to the retirement of Directors by rotation, clarifies that the Directors who are to retire by rotation are to be selected in accordance with article 95 and are in addition to any Director retiring pursuant to article 100.
- (g) **Article 102(B) (Article 101(B) of Existing Constitution).** Article 102(B), which relates to participation in Directors’ meetings by telephone or video conference, contains additional provisions regulating the proceedings at such meetings.
- (h) **Article 138 (Article 134(C) of Existing Constitution).** Article 138, which relates to the Directors’ power to issue free shares and/or to capitalise reserves for share-based incentive plans, has been expanded to empower the Directors to do the same for the benefit of non-executive Directors as part of their Directors’ remuneration. This will enable the Company, if it so desires, to remunerate its non-executive Directors by way of Directors’ fees in the form of shares, or in a combination of cash and shares, using these methods.
- 4.4 **Appendices 2 and 3.** The text of the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, is set out in Appendix 2 to this Letter and the main differences are blacklined. The existing objects clauses in the Existing Constitution which are proposed to be deleted and replaced with a general provision in the New Constitution as described in paragraph 4.3.2 above are set out in Appendix 3 to this Letter. The proposed adoption of the New Constitution is subject to Shareholders’ approval.

### 5. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

- 5.1 **Directors’ Interests.** As at the Latest Practicable Date, the Directors’ interests in Shares as recorded in the Register of Directors’ Shareholdings are as follows:

Director	Direct Interest	Number of Shares		Number of Shares comprised in outstanding share options/awards
		% <sup>(1)</sup>	Deemed Interest	
Ang Kong Hua	121,600 <sup>(2)</sup>	0.01	–	–
Tang Kin Fei	5,688,006 <sup>(3)</sup>	0.32	–	1,559,800 <sup>(4)</sup>
Bobby Chin Yoke Choong	68,500	–	–	–
Margaret Lui	40,500	–	–	–
Tan Sri Mohd Hassan Marican	41,000 <sup>(5)</sup>	–	–	–
Tham Kui Seng	24,900	–	–	–
Dr Teh Kok Peng	19,400	–	–	–
Ajaib Haridass	5,800	–	–	–
Neil McGregor	5,300	–	–	–
Nicky Tan Ng Kuang	–	–	–	–

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**Notes:**

- (1) Based on 1,784,820,479 Shares in issue (disregarding 2,727,253 Shares held in treasury) as of the Latest Practicable Date.
- (2) Of the 121,600 Shares, 70,500 Shares are held in the name of DBS Nominees Pte Ltd.
- (3) Of the 5,688,006 Shares, 1,000,000 Shares are held in the name of DBS Nominees Pte Ltd and 1,000,000 Shares are held in the name of Citibank Nominees Singapore Pte Ltd.
- (4) Of the 1,559,800 Shares:
- (a) 300,000 Shares are comprised in conditional awards granted to Tang Kin Fei pursuant to the Sembcorp Industries Performance Share Plan 2010 (the "PSP 2010"), subject to performance targets set over a 3 year period from 2013 to 2015. Achievement of targets below threshold level will mean no Shares will be delivered, while achievement up to 150% will mean up to 1.5 times the number of conditional Shares awarded could be delivered;
  - (b) 300,000 Shares are comprised in conditional awards granted to Tang Kin Fei pursuant to the PSP 2010, subject to performance targets set over a 3 year period from 2014 to 2016. Achievement of targets below threshold level will mean no Shares will be delivered, while achievement up to 150% will mean up to 1.5 times the number of conditional Shares awarded could be delivered;
  - (c) 350,000 Shares are comprised in conditional awards granted to Tang Kin Fei pursuant to the PSP 2010, subject to performance targets set over a 3 year period from 2015 to 2017. Achievement of targets below threshold level will mean no Shares will be delivered, while achievement up to 150% will mean up to 1.5 times the number of conditional Shares awarded could be delivered;
  - (d) 63,000 Shares are comprised in awards granted to Tang Kin Fei pursuant to the Sembcorp Industries Restricted Share Plan 2010 (the "RSP 2010"). These shares will vest in 2016;
  - (e) 136,800 Shares are comprised in awards granted to Tang Kin Fei pursuant to the RSP 2010. Out of the 136,800 Shares, 68,400 will vest in 2016 and the balance will vest in 2017;
  - (f) 180,000 Shares are comprised in conditional awards granted to Tang Kin Fei pursuant to the RSP 2010 for a 2 year period from 2014 to 2015. Achievement of targets below threshold level will mean no Shares will be delivered, while achievement up to 150% will mean up to 1.5 times the number of conditional Shares awarded could be delivered; and
  - (g) 230,000 Shares are comprised in conditional awards granted to Tang Kin Fei pursuant to the RSP 2010 for a 2 year period from 2015 to 2016. Achievement of targets below threshold level will mean no Shares will be delivered, while achievement up to 150% will mean up to 1.5 times the number of conditional Shares awarded could be delivered.
- (5) The 41,000 Shares are held in the name of Citibank Nominees Singapore Pte Ltd.

- 5.2 **Substantial Shareholders' Interests.** As at the Latest Practicable Date, the interests of the substantial Shareholders in Shares as recorded in the Register of Substantial Shareholders are as follows:

Substantial Shareholder	Direct Interest	Number of Shares		% <sup>(1)</sup>
		% <sup>(1)</sup>	Deemed Interest	
Temasek	871,200,328	48.81	12,718,760 <sup>(2)</sup>	0.71

**Notes:**

- (1) Based on 1,784,820,479 Shares in issue (disregarding 2,727,253 Shares held in treasury) as of the Latest Practicable Date.
- (2) Temasek is deemed to be interested in the 12,718,760 Shares in which its subsidiaries and/or associated companies have or are deemed to have an interest pursuant to Section 4 of the SFA.

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## LETTER TO SHAREHOLDERS

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### 6. DIRECTORS' RECOMMENDATIONS

- 6.1 **Proposed Renewal of IPT Mandate.** All the Directors are interested persons (as described in paragraph 5.1 of Appendix 1 to this Letter). Accordingly, they have refrained from making any voting recommendation to Shareholders in respect of Ordinary Resolution No. 12, being the Ordinary Resolution relating to the proposed renewal of the IPT Mandate to be proposed at the 2016 AGM.

Temasek and each of the Directors will abstain from voting, and each has undertaken to ensure that its/his associates will abstain from voting, on Ordinary Resolution No. 12, being the Ordinary Resolution relating to the proposed renewal of the IPT Mandate to be proposed at the 2016 AGM. Each of the Directors and their respective associates will also decline to accept appointment as proxy for any Shareholder to vote in respect of Ordinary Resolution No. 12, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution No. 12.

- 6.2 **Proposed Renewal of Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution No. 13, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2016 AGM.
- 6.3 **Proposed Adoption of New Constitution.** The Directors are of the opinion that the proposed adoption of the New Constitution is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Special Resolution No. 14, being the Special Resolution relating to the adoption of the New Constitution to be proposed at the 2016 AGM.

### 7. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 30 Hill Street #05-04, Singapore 179360 during normal business hours from the date of this Letter up to the date of the 2016 AGM:

- (a) the Existing Constitution;
- (b) the proposed New Constitution;
- (c) the Annual Report for the financial year ended December 31, 2015; and
- (d) the 2015 Circular.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, and the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

Yours faithfully  
for and on behalf of  
the Board of Directors of  
Sembcorp Industries Ltd

Ang Kong Hua  
Chairman

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## APPENDIX 1

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### THE IPT MANDATE

#### 1. Chapter 9 of the Listing Manual

- 1.1 Chapter 9 of the listing manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company’s interested persons. When this Chapter applies to a transaction and the value of that transaction alone or on aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds, certain materiality thresholds, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders’ approval for that transaction.
- 1.2 Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and hence are excluded from the ambit of Chapter 9, immediate announcement and shareholders’ approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company’s latest audited consolidated net tangible assets (“**NTA**”)) are reached or exceeded. In particular, shareholders’ approval is required for an interested person transaction of a value equal to, or which exceeds:
- (a) 5% of the listed company’s latest audited consolidated NTA; or
  - (b) 5% of the listed company’s latest audited consolidated NTA, when aggregated with other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.
- 1.3 Based on the latest audited consolidated financial statements of Sembcorp Industries Ltd (“**Sembcorp Industries**”) and its subsidiaries (the “**Sembcorp Group**”) for the financial year ended December 31, 2015, the consolidated NTA of the Sembcorp Group was S\$5,980,816,000. In relation to Sembcorp Industries, for the purposes of Chapter 9, in the current financial year and until such time that the consolidated audited financial statements of the Sembcorp Group for the year ending December 31, 2016 are published, 5% of the latest audited consolidated NTA of the Sembcorp Group would be S\$299,040,800.
- 1.4 Chapter 9 of the Listing Manual permits a listed company, however, to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company’s interested persons.
- 1.5 Under the Listing Manual:
- (a) an “**entity at risk**” means:
    - (i) the listed company;
    - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
    - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company;
  - (b) an “**interested person**” means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder;

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- (c) an “**associate**” in relation to an interested person who is a director, chief executive officer or controlling shareholder includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;
- (d) an “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9; and
- (e) an “**interested person transaction**” means a transaction between an entity at risk and an interested person.

### 2. Rationale for the IPT Mandate

2.1 It is envisaged that in the ordinary course of their businesses, transactions between companies in the EAR Group (as defined below) and Sembcorp Industries’ interested persons are likely to occur from time to time. Such transactions would include, but are not limited to, the provision of goods and services in the ordinary course of business of the EAR Group to Sembcorp Industries’ interested persons or the obtaining of goods and services from them.

2.2 In view of the time-sensitive nature of commercial transactions, the renewal of the mandate (the “**IPT Mandate**”) pursuant to Chapter 9 of the Listing Manual will enable:

- (a) Sembcorp Industries;
- (b) subsidiaries of Sembcorp Industries (excluding subsidiaries listed on the SGX-ST or an approved exchange); and
- (c) associated companies of Sembcorp Industries (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Sembcorp Group, or the Sembcorp Group and interested person(s) of Sembcorp Industries has or have control,

(together, the “**EAR Group**”), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions (“**Interested Person Transactions**”) set out in paragraph 6.1 below with the specified classes of Sembcorp Industries’ interested persons (the “**Interested Persons**”) set out in paragraph 5.1 below, provided such Interested Person Transactions are made on normal commercial terms.

### 3. Scope of the IPT Mandate

3.1 The EAR Group engages in a wide range of activities (as described in paragraph 6.1 below) for which the renewal of the IPT Mandate is being sought.

3.2 The IPT Mandate does not cover any transaction by a company in the EAR Group with an Interested Person that is below \$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Listing Manual would not apply to such transactions.

3.3 Transactions with interested persons (including the Interested Persons) that do not fall within the ambit of the IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.



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### 4. Benefit to Shareholders

The IPT Mandate (and its subsequent renewal thereafter on an annual basis) will enhance the ability of companies in the EAR Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for Sembcorp Industries to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the relevant company in the EAR Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives.

### 5. Classes of Interested Persons

5.1 The IPT Mandate applies to the Interested Person Transactions (as described in paragraph 6.1 below) which are carried out with the following classes of Interested Persons:

- (a) Temasek Holdings (Private) Limited and its associates (the "**Temasek Group**"); and
- (b) Directors, Chief Executive Officer(s) and controlling shareholders of Sembcorp Industries (other than the controlling shareholder described in sub-paragraph (a) above) and their respective associates.

5.2 Transactions with Interested Persons which do not fall within the ambit of the IPT Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

### 6. Categories of Interested Person Transactions

6.1 The Interested Person Transactions with the Interested Persons (as described in paragraph 5.1 above) which are covered by the IPT Mandate and the benefits to be derived therefrom are set out below:

#### 6.1.1 General Transactions

This category relates to general transactions ("**General Transactions**") in connection with the provision to, or the obtaining from, Interested Persons of products and services in the normal course of business of the EAR Group or which are necessary for the day-to-day operations of the EAR Group comprising the following:

(a) Utilities Activities

The products and services under this sub-category are:

- (i) the importing and retailing (including the provision of shipping services in connection therewith) of natural gas in Singapore;
- (ii) the provision or obtaining of natural gas for the generation of electricity and the production of steam, chemical feedstocks and heating;
- (iii) power generation and supply;
- (iv) the provision or obtaining of electricity and steam;
- (v) the production and supply of specialised chemical feedstocks;
- (vi) the provision of a range of utilities and support services, such as steam, cooling water, industrial water, NEWater, wastewater (including water) treatment, hazardous waste management and incineration services and terminalling facilities and management services;
- (vii) the obtaining of engineering, procurement and construction services to build infrastructure facilities in connection with the provision or supply of utilities; and

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(viii) the provision of materials used as feedstocks for the production of petroleum and utilities products.

(b) Urban Development Activities

The products and services under this sub-category are:

- (i) the sale/purchase and/or lease of land parcels, office space and factories in industrial parks and other development properties;
- (ii) the management and operation of industrial parks and infrastructure projects; and
- (iii) the provision of project management, site management, estate management and consultancy services in relation to integrated urban development.

(c) Engineering and Construction Activities

The products and services under this sub-category are:

- (i) the provision or obtaining of engineering, procurement, construction and management services for turnkey projects and construction services (including retrofitting and renovation);
- (ii) the provision or obtaining of design consultancy services (covering architectural, structural, mechanical, process, civil, electrical, land surveying and quantity surveying);
- (iii) the sale or purchase of building materials;
- (iv) the provision or obtaining of building, engineering and technical services;
- (v) the leasing and rental (as lessor and lessee) of plant and equipment used in connection with services provided;
- (vi) the leasing and rental (as lessor and lessee) of vessels, tug boats and barges used in connection with services provided; and
- (vii) the obtaining or the purchase of electronic and engineering equipment, construction plant and equipment, computer maintenance and systems and insurances.

(d) Environmental and Environmental Engineering Activities

The products and services under this sub-category are:

- (i) the provision of industrial and commercial waste collection services, including the sale of bins, to industrial and commercial buildings, hotels, serviced residences and private and public institutions;
- (ii) the provision of haulage, recycling and waste minimization of construction and other waste services;
- (iii) the provision of recycling services;
- (iv) the provision of medical waste collection and disposal services to hospitals, private clinics and health institutions;
- (v) the provision of liquid waste transportation and disposal services;
- (vi) the provision of record destruction services;

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- (vii) the provision of pneumatic refuse conveyance system;
  - (viii) the provision of biomass waste-to-energy incineration services; and
  - (ix) the provision of environmental engineering and consultancy services.
- (e) Minting Activities
- The products and services under this sub-category are:
- (i) the manufacturing, marketing and trading of numismatic coins and medallions, and other related products and services.
- (f) Activities for Day-to-Day Operations
- The products and services under this sub-category, which are necessary for the day-to-day operations of the Sembcorp Group, are:
- (i) the provision or obtaining of land and sea transportation, freight services, warehousing and logistics services;
  - (ii) the provision or obtaining of property management, property security and building maintenance services;
  - (iii) the obtaining of commodity hedging services in respect of the purchase of commodities used for the purposes of the business activities;
  - (iv) the leasing of properties which are not in use (as lessor) to generate additional revenue for the EAR Group and the leasing of office space (as lessee);
  - (v) the leasing of vehicles (as lessee) and the obtaining of maintenance and repair services (including the purchase of spare parts); and
  - (vi) the provision or the obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in paragraphs 6.1.1(a) to (e) above.

The EAR Group will benefit from having access to competitive quotes from the different companies in the different industries within the Temasek Group in addition to obtaining quotes from, or transacting with, non-Interested Persons.

The headings in this paragraph 6.1.1 are inserted for branding purposes only and shall be ignored in construing the types of General Transactions which are covered by the IPT Mandate.

### 6.1.2 Treasury Transactions

Treasury transactions (“**Treasury Transactions**”) comprise (a) the placement of funds with any Interested Person, (b) the borrowing of funds from any Interested Person, (c) the entry into with any Interested Person of forex, swap and option transactions for hedging purposes and (d) the subscription of debt securities (including but not limited to convertible bonds and hybrid bonds) or redeemable preference shares (“**RPS**”) issued by any Interested Person and the issue of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS to any Interested Person and the buying from, or the selling to, any Interested Person of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS.

The EAR Group can benefit from competitive rates and quotes in an expedient manner on the placement of funds with, borrowings from, the entry into forex, swap and option transactions with, and the subscription and purchase of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS issued by, or the issue of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS to, any Interested Person.

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### 6.1.3 Management and Support Services

The EAR Group may, from time to time, receive management and support services from, or provide management and support to, its Interested Persons in the areas of finance, treasury, investment risk review, governmental relations, strategic development, management information systems, and human resources management and development ("**Management Support Services**"). By having access to and providing such management support, the EAR Group will derive operational and financial leverage in its dealings with third parties as well as benefits from the global network of its Interested Persons.

## 7. Review Procedures for Interested Person Transactions

- 7.1 The EAR Group has established the following procedures to ensure that Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms:

### 7.1.1 General Transactions

#### Review Procedures

In general, there are procedures established by the EAR Group to ensure that General Transactions with Interested Persons are undertaken on an arm's length basis and on normal commercial terms consistent with the EAR Group's usual business practices and policies, which are generally no more favourable to the Interested Persons than those extended to unrelated third parties.

In particular, the following review procedures have been put in place.

(a) *Provision of services or the sale of products*

The review procedures are:

- (i) all contracts entered into or transactions with Interested Persons are to be carried out at the prevailing market rates or prices of the service or product providers, on terms which are no more favourable to the Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates/prices/discounts accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms; and
- (ii) where the prevailing market rates or prices are not available due to the nature of service to be provided or the product to be sold, the EAR Group's pricing for such services to be provided or products to be sold to Interested Persons is determined in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the EAR Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by Interested Persons for such services or products, factors such as, but not limited to, quantity, volume consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction will be taken into account; and

(b) *Obtaining of services or the purchasing of products*

The review procedures are:

- (i) all contracts entered into or transactions with Interested Persons are to be carried out by obtaining quotations (wherever possible or available) from at least two other unrelated third party suppliers for similar quantities and/or quality of services or products, prior to the entry into of the contract or transaction with the Interested Person, as a basis for comparison to determine whether the price and terms offered by the Interested Person are fair and reasonable and comparable to those offered by other unrelated third parties for the same or substantially similar type of services or products. In determining whether the price and terms offered by the Interested Person are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts accorded for bulk purchases, will also be taken into account; and

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- (ii) in the event that such competitive quotations cannot be obtained (for instance, if there are no unrelated third party vendors of similar products or services, or if the product is a proprietary item), the senior management staff of the relevant company in the EAR Group (with no interest, direct or indirect in the transaction), will determine whether the price and terms offered by the Interested Person are fair and reasonable.

### Threshold Limits

In addition to the review procedures, the following threshold limits (“**GT Limits**”) will be applied to supplement the internal systems of the EAR Group to ensure that General Transactions are undertaken with Interested Persons on an arm’s length basis and on normal commercial terms:

<b>General Transactions</b>	<b>GT Limit (\$ million)</b>
Utilities Activities	250
Urban Development Activities	20
Engineering and Construction Activities	250
Environmental and Environmental Engineering Activities	20
Minting Activities	20

Where the EAR Group’s proportionate share in a transaction with an Interested Person exceeds any of the relevant GT Limits set out above, such transaction must be approved by the audit committee of Sembcorp Industries (the “**Audit Committee**”) prior to its entry. Where the EAR Group’s proportionate share in a transaction is equal to or below any of the relevant GT Limits set out above, such transaction need not have the prior approval of the Audit Committee, but shall be reviewed on a quarterly basis by the Audit Committee.

### **7.1.2 Treasury Transactions**

#### Placements

In relation to the placement with any Interested Person by the EAR Group of its funds, Sembcorp Industries will require that quotations shall be obtained from such Interested Person and at least two banks for rates of deposits with such bankers of an equivalent amount, and for the equivalent period, of the funds to be placed by the EAR Group. The EAR Group will only place its funds with such Interested Person, provided that the terms quoted are no less favourable than the terms quoted by such banks for equivalent amounts.

#### Borrowings

In relation to the borrowing of funds from any Interested Person by the EAR Group, Sembcorp Industries will require that quotations shall be obtained from such Interested Person and at least two banks for rates for loans from such bankers of an equivalent amount, and for the equivalent period, of the funds to be borrowed. The EAR Group will only borrow funds from such Interested Person, provided that the terms quoted are no less favourable than those quoted by such banks.

#### Debt Securities and RPS

In relation to the subscription of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS issued by, or purchase of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS from, Interested Persons, the EAR Group will only enter into the subscription or purchase of such debt securities or RPS issued provided that the price(s) at which the EAR Group subscribes for or purchases such debt securities or RPS will not be higher than the price(s) at which such debt securities or RPS are subscribed for or purchased by third parties.

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In relation to the issue or sale to Interested Persons of debt securities (including but not limited to convertible bonds and hybrid bonds) or RPS, the EAR Group will only issue or sell such debt securities or RPS to Interested Persons provided that the price(s) at which the EAR Group issues or sells such debt securities or RPS will not be lower than the price(s) at which such debt securities or RPS are issued or sold to third parties. The EAR Group will also comply with all applicable laws and regulations in connection with the issue or sale of such debt securities or RPS to Interested Persons.

For the purposes of the IPT Mandate, the RPS to be subscribed or purchased from Interested Persons, or to be issued or sold to Interested Persons, will not carry any voting rights, except that they shall carry the right to attend any general meeting and in a poll thereat to at least one vote in respect of each such share held:

- (i) during such period as the preferential dividend or any part thereof remains in arrear and unpaid, such period starting from a date not more than 12 months, or such lesser period as the constitution may provide, after the due date of the dividend;
- (ii) upon any resolution which varies the rights attached to such shares; or
- (iii) upon any resolution for the winding up of the Company.

### Forex, Swaps, Options

In relation to forex, swap and option transactions with any Interested Person by the EAR Group, Sembcorp Industries will require that rate quotations shall be obtained from such Interested Person and at least two banks. The EAR Group will only enter into such forex, swap or option transactions with such Interested Person provided that such terms quoted are no less favourable than the terms quoted by such bankers.

In addition to the foregoing, the following threshold limits (“**Treasury Limits**”) will be applied to supplement the internal systems of the EAR Group to ensure that Treasury Transactions are undertaken with Interested Persons on an arm’s length basis and on normal commercial terms:

<b>Type of Treasury Transaction</b>	<b>Treasury Limit (S\$ million)</b>
Placements	100
Borrowings	100
Subscription or Purchase of Debt Securities	100
Issue or Sale of Debt Securities and RPS	100
Subscription or Purchase of RPS	50
Forex, Swaps, Options	50

Where the EAR Group’s proportionate share in a transaction with an Interested Person exceeds any of the relevant Treasury Limits set out above, such transaction must be approved by the Audit Committee prior to its entry. Where the EAR Group’s proportionate share in a transaction is equal to or below any of the relevant Treasury Limits set out above, such transaction need not have the prior approval of the Audit Committee, but shall be reviewed on a quarterly basis by the Audit Committee.

### **7.1.3 Management Support Services**

The EAR Group will satisfy itself that the costs for any Management Support Services provided by or to any Interested Person shall be on an arm’s length and normal commercial basis and in accordance with any formula for such cost recovery agreed with such Interested Person. Transactions exceeding the amount of S\$1,000,000 must be approved by the Audit Committee, and transactions equal to or below S\$1,000,000 shall be reviewed on a quarterly basis by the Audit Committee.

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## APPENDIX 1

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- 7.2** Sembcorp Industries will maintain a register of transactions carried out with Interested Persons pursuant to the IPT Mandate (recording the basis, including the quotations obtained to support such basis, on which they were entered into), and Sembcorp Industries' internal audit plan will incorporate a review of all transactions entered into in the relevant financial year pursuant to the IPT Mandate.
- 7.3** The Audit Committee of Sembcorp Industries shall review these internal audit reports on Interested Person Transactions to ascertain that the established review procedures to monitor Interested Person Transactions have been complied with.
- 7.4** If during these periodic reviews by the Audit Committee, the Audit Committee is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the EAR Group are conducted, Sembcorp Industries will revert to Shareholders for a fresh mandate based on new guidelines and review procedures to ensure that Interested Person Transactions will be on an arm's length and on normal commercial basis.

**8. Validity Period of the IPT Mandate**

The IPT Mandate, as renewed, will take effect from the passing of the ordinary resolution relating thereto, and will (unless revoked or varied by Sembcorp Industries in general meeting) continue in force until the next Annual General Meeting of Sembcorp Industries following thereafter. Approval from Shareholders will be sought for the renewal of the IPT Mandate at each subsequent Annual General Meeting of Sembcorp Industries, subject to satisfactory review by the Audit Committee of its continued application to the transactions with Interested Persons.

**9. Disclosure in Annual Report**

- 9.1** The Company will announce the aggregate value of transactions conducted with Interested Persons pursuant to the IPT Mandate for the quarterly financial periods which the Company is required to report on pursuant to the Listing Manual and within the time required for the announcement of such report.
- 9.2** Disclosure will be made in the Sembcorp Industries Annual Report of the aggregate value of transactions conducted with Interested Persons pursuant to the IPT Mandate during the financial year, and in the Annual Reports for subsequent financial years that the IPT Mandate continues in force, in accordance with the requirements of Chapter 9 of the Listing Manual.

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## APPENDIX 2

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### THE PRINCIPAL PROVISIONS IN THE NEW CONSTITUTION WHICH ARE SIGNIFICANTLY DIFFERENT FROM EQUIVALENT PROVISIONS IN THE EXISTING CONSTITUTION

Set out below are the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, with the main differences blacklined:

#### 1. Article 1

21. In ~~these presents~~this Constitution (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively. Interpretation

<del>"the Act"</del>	The Companies Act, Chapter 50.
<del>"the Company"</del>	Sembcorp Industries Ltd.
<del>"in writing"</del>	Written or produced by any substitute for writing or partly one and partly another <u>and shall include (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Statutes) any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever.</u>
<del>"market day"</del> <u>Market Day</u>	A day on which the <u>Singapore Stock Exchange Securities Trading Limited</u> is open for trading in securities.
<del>"Month"</del> <u>month</u>	Calendar month.
<del>"Office"</del>	The registered office of the Company for the time being.
<del>"Paid"</del> <u>paid</u>	Paid or credited as paid.
<del>"registered address"</del> <del>or "address"</del>	<u>In relation to any member, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly provided in this Constitution.</u>
<del>"Seal"</del>	The Common Seal of the Company.
<del>"The Statutes"</del>	The Act and every other <del>Act</del> <u>act</u> for the time being in force concerning companies and affecting the Company.
<del>"These presents"</del>	<del>These Articles of Association as from time to time altered.</del>
<del>"Stock Exchange"</del>	<u>Any stock exchange upon which shares in the Company may be listed.</u>



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"this Constitution"                      This Constitution as from time to time altered.

"Year"                                      Calendar year.

The expressions "Depositor", "Depository", "Depository Agent"; and "Depository Register" ~~and "treasury shares"~~ shall have the meanings ascribed to them respectively in the Securities and Futures Act, Chapter 289.

The expressions "current address", "electronic communication", "relevant intermediary" and "treasury shares" shall have the meanings ascribed to them respectively in the Act.

References in ~~these presents~~this Constitution to "holders" of shares or a class of shares shall:-

- (a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in ~~these presents~~this Constitution or where the term "registered holders" or "registered holder" is used in ~~these presents~~this Constitution;
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
- (c) except where otherwise expressly provided in ~~these presents~~this Constitution, exclude the Company in relation to shares held by it as treasury shares,

and "holding" and "held" shall be construed accordingly.

References in ~~these presents~~this Constitution to "member" shall, where the Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares.

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.

All such of the provisions of ~~these presents~~this Constitution as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

Any reference in ~~these presents~~this Constitution to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Subject as aforesaid any words or expression defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in ~~these presents~~this Constitution.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of ~~these presents~~this Constitution.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of ~~these presents~~this Constitution.

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### 2. Articles 6(A) and 6(B)

6. (A) The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.

Shares of a class other than ordinary shares

(B) The Company may issue shares for which no consideration is payable to the Company.

Issue of shares for no consideration

### 3. Article 7

47. Subject to the ~~presents~~Statutes and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to ~~Article 8~~Article 11, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors~~s~~. Provided always that:-

Issue of shares

- (a) ~~no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the members in a General Meeting;~~
- (ba) (subject to any direction to the contrary that may be given by the Company in General Meeting) 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 provisions of the second sentence of ~~Article 8~~Article 11(A) with such adaptations as are necessary shall apply; and
- (eb) any other issue of shares, the aggregate of which would exceed the limits referred to in ~~Article 8~~Article 11(B), shall be subject to the approval of the Company in General Meeting.

### 4. Article 11(A)

811. (A) 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 Stock Exchange, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as ~~nearly~~far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this ~~Article 8~~Article 11(A).

Offer of new shares to members

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### 5. Article 12

912. (A) The Company may by Ordinary Resolution:-

- (a) consolidate and divide all or any of its shares;
- (b) subdivide its shares, or any of them; (subject, nevertheless, to the provisions of the Statutes and this Constitution), and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to ~~unissued or~~ new shares; and
- (c) subject to the provisions of the Statutes, convert its share capital or any class of shares into any other class of shares from one currency to another currency.

Power to consolidate, sub-divide and redenominate shares

(B) The Company may by Special Resolution, subject to and in accordance with the Statutes, convert one class of shares into another class of shares.

Power to convert shares

### 6. Article 19

4619. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates ~~and, whether the amount~~ shares are fully or partly paid up, and the amount (if any) unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class.

Share certificates

### 7. Article 20

1720. ~~Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:-~~

Joint holders

(a) ~~the~~ The Company shall not be bound to register more than three persons as the registered ~~joint-holders of any~~ share; except in the case of executors or administrators (or trustees) of the estate of a deceased ~~shareholder;~~ member.

- (b) ~~the joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share;~~
- (c) ~~on the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share but the Directors may require such evidence of death as they may deem fit; and~~

(d) ~~in~~ In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.

Issue of certificate to joint holders

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### 8. Article 35

~~3335.~~ The Company shall have a first and paramount lien on every share (not being a fully paid share) ~~for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and for all moneys and dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as~~ the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this ~~Article~~article.

Company to have paramount lien

### 9. Article 52

~~5052.~~ ~~As~~Save as otherwise permitted under the Act, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

Annual general meeting and extraordinary general meeting

### 10. Article 56

~~5456.~~ Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

Routine business

- (a) declaring dividends;
- (b) receiving and adopting the ~~accounts~~financial statements, the reports of the Directors' statement, the Auditor's report and Auditors and other documents required to be attached ~~or annexed~~ to the accounts~~financial statements~~;
- (c) appointing or reappointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) ~~appointing or reappointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting)~~Auditor;
- (e) fixing the remuneration of the ~~Auditors~~Auditor or determining the manner in which such remuneration is to be fixed; and
- (f) fixing the remuneration of the Directors proposed to be paid in respect of their office as such under Article 80~~article 82 and/or article 83(A)~~.

### 11. Article 64

~~6264.~~ (A) If required by the listing rules of the Stock Exchange, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by the Stock Exchange).

Mandatory polling

(B) ~~As~~Subject to article 64(A), at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-

Method of voting where mandatory polling not required

- (a) the chairman of the meeting; or
- (b) not less than two members present in person or by proxy and entitled to vote at the meeting; or

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- (c) a member present in person or by proxy and representing not less than ~~one-tenth~~five per cent. of the total voting rights of all the members having the right to vote at the meeting; or
- (d) a member present in person or by proxy and holding ~~not less than 10 per cent. of the total number of paid-up shares of the Company (excluding treasury shares);~~shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid up on all the shares conferring that right.

Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment.

A demand for a poll made pursuant to this article 64(B) may be withdrawn only with the approval of the chairman of the meeting, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

### 12. Article 65

~~63~~65. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. ~~If~~Where a poll is ~~required~~taken, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was ~~demanded~~taken. The chairman of the meeting may (and, if required by the listing rules of the Stock Exchange or if so directed by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

Taking a poll

### 13. Article 66

~~65~~66. A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll ~~demanded~~ on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and places~~place~~ as the chairman may direct. No notice need be given of a poll not taken immediately. ~~The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other the question on which the poll has been demanded.~~

Timing for taking a poll

### 14. Article 67

~~64~~67. In the case of an equality of votes, whether on a show of hands or on a poll or on a show of hands, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded or show of hands takes place shall be entitled to a casting vote.

Casting vote of chairman

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### 15. Article 68

~~66~~68. 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 5A~~Article 13(C), each member entitled to vote may vote in person or by proxy. ~~On a show of hands every~~Every member who is present in person or by proxy shall;

How members may vote

- (a) on a poll, have one vote for every share which he holds or represents; and
- (b) on a show of hands, have one vote ~~(provided that, Provided always that:~~
  - (i) in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the ~~Chairman~~chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands); 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;
  - (ii) in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.

For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at ~~48~~72 hours before the time of the relevant General Meeting as certified by the Depository to the Company.

### 16. Article 74

~~72~~74. (A) Save as otherwise provided in the Act:

Appointment of proxies

- (a) A ~~a~~ member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and
- (b) a member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

(B) In any case where a ~~provided that if the~~ member is a Depositor, the Company shall be entitled and bound:

Shares entered in Depository Register

- (a) to reject any instrument of proxy lodged ~~if the~~by that Depositor ~~if he~~ is not shown to have any shares entered against his name in the Depository Register as at ~~48~~72 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and

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- (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by ~~the~~that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at ~~48~~72 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

(BC) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy. Notes and instructions

~~(C) In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.~~

- (D) A proxy need not be a member of the Company. Proxy need not be a member

### 17. Article 75

~~73~~75. (A) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:- Execution of proxies

- (a) in the case of an individual, shall be:
- (i) signed by the appointor or his attorney; and if the instrument is delivered personally or sent by post; or
  - (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and
- (b) in the case of a corporation, shall be:
- (i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation; if the instrument is delivered personally or sent by post; or
  - (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of articles 75(A)(a)(ii) and 75(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(B) The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to ~~the next following Article~~article 76(A), failing which the instrument may be treated as invalid. Witness and authority

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(C) The Directors may, in their absolute discretion:

- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (b) designate the procedure for authenticating an instrument appointing a proxy.

Directors may approve method and manner, and designate procedure, for electronic communications

as contemplated in articles 75(A)(a)(ii) and 75(A)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), article 75(A)(a)(i) and/or (as the case may be) article 75(A)(b)(i) shall apply.

### 18. Article 76

~~74~~76. (A) An instrument appointing a proxy:

- (a) if sent personally or by post, must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or
- (b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting.

Deposit of proxies

and in either case, not less than ~~48~~72 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided always that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this article 76 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(B) The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in article 76(A)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), article 76(A)(a) shall apply.

Directors may specify means for electronic communications

### 19. Article 78

~~76~~78. A vote cast by proxy shall not be invalidated by the previous death or ~~insanity~~mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made ~~provided~~, Provided always that no intimation in writing of such death, ~~insanity~~mental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

Intervening death or mental disorder



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### 20. Article 89

~~8889.~~ The Directors may from time to time appoint one or more of their body to be Chief Executive Officer or Chief Executive Officers (or other equivalent position) of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. Where an appointment is for a fixed term such term shall not exceed five years.

Appointment of Chief Executive Officer

### 21. Article 90

~~8990.~~ A Chief Executive Officer (or person holding an equivalent position) who is a Director shall be subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors of the Company.

Retirement, removal and resignation of Chief Executive Officer

### 22. Article 91

~~9091.~~ The remuneration of a Chief Executive Officer (or person holding an equivalent position) shall from time to time be fixed by the Directors and may subject to ~~these presents~~ this Constitution be by way of salary or commission or participation in profits or by any or all these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

Remuneration of the Chief Executive Officer

### 23. Article 92

~~9192.~~ A Chief Executive Officer (or person holding an equivalent position) shall at all times be subject to the control of the Directors but subject thereto the Directors may from time to time entrust to and confer upon a Chief Executive Officer (or person holding an equivalent position) for the time being such of the powers exercisable under ~~these presents~~ this Constitution by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Powers of the Chief Executive Officer

### 24. Article 93

~~9293.~~ The office of a Director shall be vacated in any of the following events, namely:-

When office of Director to be vacated

- (a) if he shall become prohibited by law from acting as a Director; or
- (b) if he shall become disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (~~b~~c) if (not being a Director holding any executive office for a fixed term) he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or
- (~~c~~d) if he shall have a receiving ~~bankruptcy~~ order made against him or if he shall compound ~~make any arrangement or composition~~ with his creditors generally; or

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- (de) if he becomes ~~of unsound mind~~ mentally disordered and incapable of managing himself or his affairs or if in Singapore or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
- (ef) if he is removed by the Company in General Meeting pursuant to ~~these~~ present this Constitution.

### 25. Article 94

~~93~~94. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) selected in accordance with article 95, shall retire from office by rotation (in addition to any Director retiring pursuant to article 100).

Retirement of Directors by rotation

### 26. Article 96

~~95~~96. The Company at the meeting at which a Director retires under any provision of ~~these~~ present this Constitution may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been reelected except in any of the following cases:-

Filling vacated office

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the reelection of such Director is put to the meeting and lost; or
- (b) where such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be reelected; or
- (c) where such Director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (ed) where the default is due to the moving of a resolution in contravention of the next following ~~Article~~ article; or
- (d) ~~where such Director has attained any retiring age applicable to him as Director.~~

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his reelection is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

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### 27. Article 98

~~97~~98. No person other than a Director retiring at a ~~General Meeting~~the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 ~~clear days~~ nor more than 42 clear days (~~inclusive~~exclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged 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 ~~General Meeting~~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~~giving his consent to the nomination and signifying his candidature for the office. Provided always that in the case of a person recommended by the Directors for election not less than nine clear days' notice shall be necessary and notice of each and every such person shall be served on the members at least seven days prior to the meeting at which the election is to take place.

Notice of intention to appoint Director

### 28. Article 102(B)

~~40~~102. (B) Directors may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The Directors participating in any such meeting shall be counted in the quorum for such meeting and subject to there being a requisite quorum in accordance with article 103, all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. A meeting conducted by means of a conference telephone or similar communications equipment as aforesaid is deemed to be held at the place agreed upon by the Directors attending the meeting. Provided always that at least one of the Directors present at the meeting was at that place for the duration of the meeting.

Participation by telephone or video conference

### 29. Article 105

~~40~~105. A Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any personal material interest, directly or indirectly. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

Directors not to vote on transactions in which they have an interest

### 30. Article 106

~~40~~106. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with ~~these presents~~this Constitution the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings, but not for any other purpose (except in an emergency). If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

Proceedings in case of vacancies

### 31. Article 113

~~41~~113. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors, ~~who~~. The Directors may exercise all such powers of the Company as are not by the Statutes or by ~~these presents~~this Constitution required to be exercised by the Company in General Meeting. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in General Meeting. The general powers given by this ~~Article~~article shall not be limited or restricted by any special authority or power given to the Directors by any other ~~Article~~article.

General powers of Directors to manage Company's business

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### 32. Article 122

~~121~~122. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any ~~Committee~~committee, and any books, records, documents ~~and~~ and accounts and financial statements relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents ~~or~~ or accounts or financial statements are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this ~~Article~~article may be made by any electronic means approved by the Directors for such purpose from time to time ~~for such purpose~~ incorporating, if the Directors deem necessary, the use of security and/or ~~identification~~ procedures ~~and~~ and devices approved by the Directors.

Power to authenticate documents

### 33. Article 138

~~134(C)~~138. In addition and without prejudice to the powers provided for by ~~Article 134(A)~~ article 137, 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 ~~unissued~~new shares, in each case on terms that such shares shall, upon issue:

Power to issue free shares and/or to capitalise reserves for share-based incentive plans and Directors' remuneration

- (a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit; or
- (b) be held by or for the benefit of non-executive Directors as part of their remuneration under article 82 and/or article 83(A) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

### 34. Article 140

~~136~~140. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such ~~profit and loss accounts~~financial statements, balance sheets, ~~group accounts (if any) and reports~~ statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four months (or such other period as may be permitted by the Act).

Presentation of financial statements

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### 35. Article 141

~~137~~141. A copy of ~~every~~the financial statements and, if required, the balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto), which is duly audited and which is to be laid before the Company in General Meeting accompanied by a copy of the Auditor's report thereon, shall not less than 14 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 of meetings from the Company under the provisions of the Statutes or of ~~these presents~~this Constitution; Provided always that:

Copies of financial statements

- (a) these documents may, subject to the listing rules of the Stock Exchange, be sent less than 14 days before the date of the meeting if all persons entitled to receive notices of meetings from the Company so agree; and
- (b) this Article~~article~~ 141 shall not require a copy of these documents to be sent to more than one ~~or~~ of any joint holders or to any person of whose address the Company is not aware, but any member ~~or holder of debentures~~ to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

### 36. Article 144

~~140~~144. (A) Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

Service of notices

~~140A-~~ (B) Without prejudice to the provisions of ~~Article 140~~article 144(A), but subject otherwise to the Act and any regulations made thereunder and (where applicable) the listing rules of the Stock Exchange, relating to electronic communications, any notice or document (including, without ~~limitations~~limitation, any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Act or under ~~these presents~~this Constitution by the Company, or by the Directors, to a member ~~or an officer or Auditor of the Company~~ may be given, sent or served using electronic communications;

Electronic communications

- (a) to the current address of that person; or
- (b) by making it available on a website prescribed by the Company from time to time.

in accordance with the provisions of, ~~or as otherwise provided by this Constitution,~~ the ~~Statutes~~Act and/or any other applicable regulations or procedures.

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(C) For the purposes of article 144(B) above, a member shall be deemed to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document.

Implied consent

(D) Notwithstanding article 144(C) above, the Directors may, at their discretion, at any time give a member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and a member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document.

Deemed consent

(E) Such notice or document 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 Statutes and/or any other applicable regulations or procedures. Where a notice or document is given, sent or served by electronic communications:

When notice given by electronic communications deemed served

- (a) to the current address of a person pursuant to article 144(B)(a), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act and/or any other applicable regulations or procedures; and
- (b) by making it available on a website pursuant to article 144(B)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under the Act and/or any other applicable regulations or procedures.

(F) Where a notice or document is given, sent or served to a member by making it available on a website pursuant to article 144(B)(b), the Company shall give separate notice to the member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:

Notice to be given of service on website

- (a) by sending such separate notice to the member personally or through the post pursuant to article 144(A);
- (b) by sending such separate notice to the member using electronic communications to his current address pursuant to article 144(B)(a);
- (c) by way of advertisement in the daily press; and/or
- (d) by way of announcement on the Stock Exchange.

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### 37. Article 151

~~148~~151. Subject to the provisions of and so far as may be permitted by the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in the execution and discharge of his duties or in relation thereto ~~including 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 the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) 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.~~ Without prejudice to the generality of the foregoing, no Director, ~~Manager,~~ Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune ~~whatsoever~~ whatever 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. Indemnity

### 38. Article 153

153. (A) A member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes: Personal data of members

- (a) implementation and administration of any corporate action by the Company (or its agents or service providers);
- (b) internal analysis and/or market research by the Company (or its agents or service providers);
- (c) investor relations communications by the Company (or its agents or service providers);
- (d) administration by the Company (or its agents or service providers) of that member's holding of shares in the Company;
- (e) implementation and administration of any service provided by the Company (or its agents or service providers) to its members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
- (f) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any General Meeting (including any adjournment thereof);

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- (g) implementation and administration of, and compliance with, any provision of this Constitution;
- (h) compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines; and
- (i) purposes which are reasonably related to any of the above purpose.

(B) Any member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in articles 153(A)(f) and 153(A)(h), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such member's breach of warranty.

Personal data  
of proxies  
and/or  
represent-  
atives



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## APPENDIX 3

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### THE EXISTING OBJECTS CLAUSES

The existing objects clauses in the Existing Constitution which are proposed to be deleted and replaced with a general provision in the New Constitution are set out below.

3. The objects for which the Company is established are:-
- (1) To carry on the business of investment holding, and in particular to invest the moneys of the Company in or otherwise to acquire and hold shares, stocks, debentures, debenture stock, scrip, loans, bonds, obligations, notes, securities and investments issued or guaranteed by any company or trust constituted or carrying on business in any part of the world, and in the funds or loans or other securities and investments of or issued or guaranteed by any government, state, or dominion, public body or authority, supreme, municipal local or otherwise, in the Republic of Singapore or elsewhere.
  - (2) To acquire any such shares, stocks, debentures, debenture stock, scrip, loans, bonds, obligations, notes, securities and investments by original subscription, contract, tender, purchase exchange or otherwise, and whether or not fully paid up, and to make payments thereon as called up or in advance of calls or otherwise, and to subscribe for the same, either conditionally or otherwise, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
  - (3) To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares, stocks, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some proportion of the issued or nominal amount thereof.
  - (4) To vary or transpose by sale, exchange or otherwise from time to time as may be considered expedient any of the Company's investments for the time being.
  - (5) To acquire by purchase, lease, exchange or otherwise and hold by way of investment, land, buildings and immovable property of any tenure or description whatsoever in the Republic of Singapore or elsewhere, and to mortgage, lease or let out the property of the Company or any part thereof for such consideration as the Company may think fit.
  - (6) To provide on such terms as may be thought fit those services for the companies in which the Company is invested which are suitable and convenient to be provided by a holding company and in particular, and without prejudice to the generality of the foregoing, to provide managerial, executive, supervisory, financial and accounting, investment and administrative services and office accommodation and equipment facilities to any such company.
  - (7) To provide construction, engineering and technical services of all types (including, but not limited to, services for or in relation to retrofitting, renovation, ground engineering, prestressing, geotechnical and structural systems) for residential, commercial, industrial, infrastructural development and other projects (including turnkey projects) as main contractors, nominated sub-contractors, project managers and/or consultants.
  - (8) To provide all manner of consultancy services relating to technical advice, preliminary feasibility studies, preparation of initial proposals, technical and economic feasibility studies, cost benefit studies, planning of projects, raising of funds for projects, supervision and implementation of projects and their subsequent management, especially with regard to the provision of such consultancy, advisory and professional services, to States, Governments, authorities or any person or company, in all or any one or more of the following:-
    - (a) town and city planning and development, including urban renewal and city centre redevelopment;
    - (b) residential housing estates, satellite towns and low-cost housing development and their management;

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- (c) industrial estate development, the provision of basic infrastructure, the development of town centres in industrial estates and the financing of such developments, the attraction of new industries and the drafting of schemes for various inducements for the setting up of industries in the newly developed areas;
  - (d) infrastructural development in the planning and development of public works and conveniences of all kinds, including railways, tram-ways, roads, highways, public transport systems, tunnels, bridges, docks, harbours, shipyards, piers, wharves, airports, canals, reservoirs, embankments, water courses, hydraulic works, irrigation, reclamation, improvement, sewage, drainage, sanitary, water, gas, electric, telephonic, telegraphic undertakings or systems, aerospace industries, refineries, petrol chemical industries, pharmaceutical industries and power supply works and hotels, warehouses, markets, slaughterhouses, hospitals, laboratories, and public buildings and all other works or conveniences of public utility;
  - (e) port development and the provision of services to cater for cargo, oil, bulk ore and passenger vessels, as well as containers and other forms of cargo handling and transportation; and
  - (f) provision of sufficiently comprehensive services to augment the consultancy with the capability to implement turnkey projects, or to take on individual items of consultancy work from project identification through project appraisal and project study financial management and project implementation to the training of counterpart personnel for project management, etc.
- (9) To invest in, operate and/or engage in the development of infrastructure projects (including, but not limited to, industrial parks, industrial estates, toll roads, and water supply systems), and to provide technical and marketing expertise, project management expertise and operation management services in connection with the aforesaid.
- (10) To construct, charter, purchase or otherwise acquire and work ships and vessels of any class, and to establish and maintain lines or regular services of ships or other vessels, and generally to carry on the business of shipowners, and operators and managers of ships and vessels of any class and every description.
- (11) To build, fit out and repair ships and vessels of every description and to construct and repair engines, boilers and machinery of all kinds, and to insure the vessels and other property of the Company, in any manner.
- (12) To enter in arrangements with any State or Government, or authority, or any other person or company, for purchase, or otherwise acquire, any contracts, decrees, and concessions, for or in relation to the construction, execution, carrying out, equipment, improvement, management, administration, or control of public works and conveniences, and to undertake, execute, carry out, dispose of, or otherwise turn to account the same.
- (13) To carry on the business or trade of builders, general contractors and piling contractors for construction work and piling work of any kind and for the demolition of any structure.
- (14) To carry on the business of foundation contractors, pile-drivers, drillers, borers, surveyors, building contractors, piling, civil and structural engineers and re-inforced concrete specialists, and to construct, execute, carry out, equip, improve, work, develop, manage or control public works, infrastructure projects and conveniences of all kinds (including, but not limited to, roads, railways, tramways, docks, harbours, piers, wharves, bridges, canals, reservoirs, watercourses, aqueducts, pipe-lines, quarries, embankments, reclamation drainage, sanitary improvement, sewerage, water, gas, electric, light, telegraph, telephone and power supply works, hotels, warehouses and public buildings) and all other works of public utility, and to carry on the business of sanitary and electrical engineers and contractors generally.

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- (15) To enter into any contracts in relation to, and to erect, construct, alter, repair, demolish and restore (either alone or jointly with, or as sub-contractors for, any other companies or persons) infrastructure works of all descriptions, (including, but not limited to, wharves, docks, piers, railways, waterways, roads, bridges, warehouses, factories, mills, engines, machinery, boilers, railway locomotives, carriages and wagons, ships and vessels of every description, gas works, power stations, waterworks, drainage and sewage works), and buildings and installations of every description.
- (16) To provide or obtain design consultancy services of all types, including, but not limited to, architectural, structural mechanical, civil, electrical, and land and quantity surveying services, and in connection therewith to make designs, surveys, feasibility studies, reports and financial estimates and to supervise the construction of engineering works.
- (17) To carry on the business of importers, exporters, distributors and suppliers of and dealers in construction, building and other related materials including stone, sand, lime, gravel, brick, timber, cement, decorative paints, plastics, resin substances, synthetic and all other building requisites and materials of any kind whatsoever, and all implements, machinery, bulldozers, tractors, cranes, transport vehicles, scaffolding and all things used by builders and contractors.
- (18) To hire, hire-purchase, hire out, supply, invent, design, develop, construct, manufacture, produce, erect, assemble, test, import, export, alter, install, maintain, repair, renovate, refurbish, recondition, utilise, operate, manage, purchase, sell, and otherwise deal in all kinds of equipment, apparatus, plant, machinery, appliances, articles, furniture, things, accessories, components, fittings, tools, materials, substances, products, computers, computer programs and software which are required or are likely to be required by the Company or other persons for the purposes of, or in connection with, any of the businesses of the Company or which in the opinion of the Company may be conveniently or advantageously dealt with by the Company in connection or association with any of its objects or the objects of any of its subsidiaries.
- (19) To carry on all or any of the businesses of traders, importers, exporters, distributors, manufacturers, manufacturer's agents and commission agents of, and to buy, sell, or otherwise deal in, electronic and engineering products and equipment of all types, software technology, computer hardware and computer software, computer products and equipment, programs, data processing supplies, and computer and other peripherals, appliances, accessories and components of every kind and description.
- (20) To carry on all or any of the businesses of computer consultants, analysts, specialists, writers, designers, devisers, organisers of and dealers in computer systems and computer software, and of computer programmers and consultants in relation to the use of computers and data processing systems.
- (21) To invent, develop, produce, test, alter, install, maintain, import, export, acquire, market, buy, sell, supply, distribute, license the use of or otherwise deal in and with, as principal or agent, all kinds of computer products including but not limited to computer software, programs, data communication, data processing, information handling and automation systems and all other manner of computerised systems.
- (22) To carry on the business of research and development of computer software products and to provide services of all kinds and descriptions including but not limited to specialised training and all other support services that may be required by purchasers of computer software products.
- (23) To carry on the business of land and/or water transport owners and suppliers, commission agents, shipping agents, brokers, shippers, freighters, lightermen, wharfingers, forwarding agents, stevedores, labour suppliers, warehousemen, shipbuilders, shipowners, building contractors, insurance agents, and ship chandlers, and to act as wholesale warehousemen, removers, storers, packers, and carriers of personal property of every description.
- (24) To carry on business as freight forwarding agents, general carriers (including, but not limited to, carriers of passengers, livestock, other animals and goods), shipping, chartering, forwarding and transport agents, transport contractors and agents, cargo superintendents, packers and hauliers, and to provide facilities for the storage, warehousing, carriage and distribution of merchandise by land, sea and air.

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## APPENDIX 3

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- (25) To provide, render or undertake marketing, logistics, sourcing and technical support services of all types to individuals, firms, companies, corporate bodies, organisations or institutions in the Republic of Singapore or elsewhere, and to employ experts on the relative subjects and make available their services to others in this behalf.
- (26) To import, export, barter, contract, buy, sell, deal in, and to engage in, conduct and carry on the business of importing, exporting, bartering, trading, contracting, buying, selling and dealing in consumer products, goods, wares, merchandise, materials and substances of every class and description raw, manufactured or produced in any place throughout the world.
- (27) To provide or promote the provision of facilities of every description for tourists and travellers, and in particular by means of the booking of travel tickets and accommodation and hotel and lodging accommodation and providing guides, safe deposits, inquiry bureaux and baggage transport.
- (28) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties or rights.
- (29) To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company carrying on any business which the Company is authorized to carry on, or possessed of property suitable for the purposes of the Company.
- (30) To apply for, purchase, or otherwise acquire any patents, patent rights, copyrights, trade marks, formulae, licences, concessions, and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company; and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account, the property, rights, or information so acquired.
- (31) To amalgamate or enter into partnership or into any arrangement for sharing of profits, union of interest, co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company.
- (32) To take, or otherwise acquire, and hold shares, debentures, or other securities of any other company.
- (33) To enter into any arrangements with any government or authority, supreme, municipal, local, or otherwise, that may seem conducive to the Company's objects, or any of them; and to obtain from any such government or authority any rights, privileges, and concessions which the Company may think it desirable to obtain; and to carry out, exercise, and comply with any such arrangements, rights, privileges, and concessions.
- (34) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or directors or past employees or directors of the Company or its predecessors in business, or the dependants or connections of any such persons; and to grant pensions and allowances, and to make payments towards insurance; and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general, or useful object.
- (35) To promote any other company or companies for the purpose of acquiring or taking over all or any of the property, rights, and liabilities of the Company, or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

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- (36) To purchase, take on lease or in exchange, hire, or otherwise acquire any movable or immovable properties and any rights or privileges which the Company may think necessary or convenient for the purposes of its business, and in particular any land, buildings, easements, machinery, plant, and stock-in-trade.
- (37) To construct, improve, maintain, develop, work, manage, carry out, or control any buildings, works, factories, mills, roads, ways, tram-ways, railways, branches or sidings, bridges, reservoirs, water-courses, wharves, warehouses, electric works, shops, stores, and other works, and conveniences which may seem calculated directly or indirectly to advance the Company's interests; and to contribute to, subsidize, or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, carrying out, or control thereof.
- (38) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any securities or liabilities of, any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or otherwise associated with the Company.
- (39) To lend and advance money or give credit to any person or company and on such terms as may be considered expedient, and either with or without security; to secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company, and otherwise to assist any person or company.
- (40) To borrow or raise or secure the payment of money in such manner as the Company may think fit and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the Company in any way and in particular by the issue of debentures perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital; and to purchase, redeem, or pay off any such securities.
- (41) To invest and deal with the money of the Company not immediately required in such manner as may from time to time be thought fit.
- (42) To enter into or to invest in any interest rate exchange contracts, currency exchange contracts, forward contracts, futures contracts, options (including, without limitation, interest rate or currency options) and other derivative or financial instruments or products, whether or not entered into or acquired for the purpose of hedging against or minimising any loss concerning the assets and business of the Company and in relation thereto, the Company may pay any margin or margin calls or other demands concerning any such contracts or instruments entered into or acquired by the Company.
- (43) To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures, or other securities of the Company, or in or about the organization, formation, or promotion of the Company or the conduct of its business.
- (44) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, and other negotiable or transferable instruments.
- (45) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of the Company.

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## APPENDIX 3

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- (46) To adopt such means of making known and advertising the business and products of the Company as may seem expedient.
- (47) To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase, or otherwise, and to exercise, carry out, and enjoy any charter, licence, power, authority, franchise, concession, right, or privilege, which any Government or authority or any corporation or other public body may be empowered to grant; and to pay for, aid in, and contribute towards carrying the same into effect; and to appropriate any of the Company's shares, debentures, or other securities and assets to defray the necessary costs, charges, and expenses thereof.
- (48) To apply for, promote, and obtain any statute, order, regulation, or other authorization or enactment which may seem calculated directly or indirectly to benefit the Company; and to oppose any bills, proceedings, or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (49) To procure the Company to be registered or recognized in any country or place outside the Republic of Singapore.
- (50) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
- (51) To issue and allot fully or partly paid shares in the capital of the Company in payment or part payment of any movable or immovable property purchased or otherwise acquired by the Company or any services rendered to the Company.
- (52) To distribute any of the property of the Company among the members in kind or otherwise but so that no distribution amounting to a reduction of capital shall be made without the sanction required by law.
- (53) To take or hold mortgages, liens, and charges to secure payment of the purchase price, or any unpaid balance of the purchase price, of any part of the Company's property of whatsoever kind sold by the Company, or any money due to the Company from purchasers and others.
- (54) To undertake and transact all kinds of agency or secretarial business and also to undertake and execute any trusts, the undertaking whereof may seem desirable, and either gratuitously or otherwise.
- (55) To transact any lawful business in aid of the Republic of Singapore in the prosecution of any war or hostilities in which the Republic of Singapore is engaged.
- (56) To carry out all or any of the objects of the Company and do all or any of the above things in any part of the world and either as principal, agent, contractor, or trustee, or otherwise, and by or through trustees or agents or otherwise, and either alone or in conjunction with others.
- (57) To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.

AND IT IS HEREBY DECLARED that the word "company" in this Memorandum when not referring to this Company shall be deemed to include any corporation partnership association club or other body of persons whether incorporated or not and wherever incorporated or domiciled and whether now existing or hereafter to be formed AND further that unless the context or subject matter is inconsistent therewith words signifying the singular number shall be deemed and taken to include the plural and vice versa AND further that the objects specified in each of the paragraphs in this Memorandum shall be regarded as independent objects, and accordingly, shall in no way be limited or restricted (except when otherwise expressed in such paragraph), by reference to the objects indicated in any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.