

## **LETTER TO SHAREHOLDERS DATED 8 APRIL 2019**

**THIS LETTER TO SHAREHOLDERS (THE “LETTER”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**This Letter is issued to the Shareholders of Hiap Hoe Limited (the “Company”). If you are in any doubt as to the action that you should take, you should consult your legal, financial, tax or other professional adviser immediately.**

Its purpose is to provide Shareholders with information on, and to explain the rationale for the proposed adoption of the New Constitution (as defined herein) to be tabled at the Annual General Meeting of the Company to be held at Ramada Singapore At Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on 30 April 2019 at 10.30 a.m.

**If you have sold or transferred all your ordinary shares in the issued and paid-up share capital of the Company, you should forward this Letter together with the Notice of Annual General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser or transferee.**

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the contents of this Letter, including the correctness of any of the statements or opinions made or reports contained in this Letter.



### **HIAP HOE LIMITED**

(Incorporated in the Republic of Singapore on 28 January 1994)  
(Company Registration Number 199400676Z)

**LETTER TO SHAREHOLDERS IN RELATION TO:**

**THE PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

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## DEFINITIONS

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In this Letter, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

<b>“2018 Amendment Act”</b>	:	The Companies (Amendment) Act 2018
<b>“AGM”</b>	:	Annual General Meeting of the Company
<b>“Amendment Act”</b>	:	The Companies (Amendment) Act 2014
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Company”</b>	:	Hiap Hoe Limited
<b>“Companies Act” or “the Act”</b>	:	Companies Act (Cap. 50) of Singapore, as amended, modified or supplemented from time to time
<b>“Directors”</b>	:	The directors of the Company as at the Latest Practicable Date and each a <b>“Director”</b>
<b>“Existing Constitution”</b>	:	The existing memorandum and articles of association of the Company
<b>“Latest Practicable Date”</b>	:	15 March 2019
<b>“Letter”</b>	:	This Letter to Shareholders dated 8 April 2019
<b>“Listing Manual”</b>	:	The Listing Manual of the SGX-ST as amended, modified or supplemented from time to time
<b>“New Constitution”</b>	:	The new constitution proposed to be adopted by the Company at the AGM
<b>“Shareholder”</b>	:	Means: <ul style="list-style-type: none"><li>(a) where CDP is named in the Register of Members of the Company as the holder of shares, a Depositor in respect of the number of shares which standing credit against his name in the Depository Register; and</li><li>(b) in any other case, a person whose name appears on the Register of Members maintained by the Company pursuant to Section 190 of the Act and/or any other applicable law</li></ul>
<b>“SFA”</b>	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited

**Depositors.** The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

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

**Time and date.** Any reference to a time of day and date in this Letter is made by reference to Singapore time and date, unless otherwise stated.

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## DEFINITIONS

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**Statutes.** Any reference in this Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Letter shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

**Headings.** The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

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# LETTER TO SHAREHOLDERS

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## HIAP HOE LIMITED

(Incorporated in the Republic of Singapore on 28 January 1994)  
(Company Registration Number 199400676Z)

### Directors

Mr Ronald Lim Cheng Aun (Independent Non-Executive Chairman)  
Mr Teo Ho Beng (Executive Director and Chief Executive Officer)  
Mr Roland Teo Ho Kang (Managing Director)  
Mr Teo Keng Joo, Marc (Executive Director)  
Mr Chan Boon Hui (Lead Independent Non-Executive Director)  
Mr Koh Kok Heng, Leslie (Independent Non-Executive Director)

### Registered Office:

18 Ah Hood Road #13-51  
Hiap Hoe Building at  
Zhongshan Park  
Singapore 068899

8 April 2019

To: The Shareholders of  
Hiap Hoe Limited

Dear Sir/Madam

### THE PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY

#### 1. BACKGROUND

- 1.1 We refer to the special resolution 10 in relation to the proposed adoption of the New Constitution of the Company under the heading "Special Business" set out in the Notice of Annual General Meeting of Hiap Hoe Limited (the "**Company**" and together with its subsidiary (the "**Group**")) dated 8 April 2019 (the "**Notice**"), accompanying the Annual Report of the Company for the financial year ended 31 December 2018, convening the Annual General Meeting of the Company (the "**AGM**") which is scheduled to be held on 30 April 2019 at 10.30 a.m.
- 1.2 The purpose of this Letter is to provide Shareholders with information relating to the proposed adoption of a New Constitution of the Company and to seek shareholders' approval of the same at the AGM to be held on 30 April 2019 at 10.30 a.m. at Ramada Singapore At Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982.
- 1.3 The Singapore Exchange Securities Trading Limited ("**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

#### 2. THE PROPOSED ADOPTION OF A NEW CONSTITUTION

##### 2.1 The Companies (Amendment) Act 2014 and the Companies (Amendment) Act 2018

The Companies (Amendment) Act 2014 (the "**Amendment Act**"), which was passed in Parliament on 8 October 2014 and took effect in two phases on 1 July 2015 and 3 January 2016, introduced wide-ranging changes to the Companies Act. The changes aim to reduce the 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 Central Provident Fund ("**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". Subsequently, the Companies (Amendment) Act 2018 (the "**2018 Amendment Act**") was passed in Parliament on 6 August 2018 and which took effect on 1 October 2018. Under the 2018 Amendment Act, the timelines for companies with financial years ending on or after 31 August 2018 to hold annual general meetings were altered to be aligned with the financial year end of companies.

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### 2.2 New Constitution

The Company is proposing to adopt a new constitution (the “**New Constitution**”), which will replace the existing constitution (the memorandum and articles of association of the Company which were in force immediately before 3 January 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 clause 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 New Constitution also contains updated provisions which are consistent with the prevailing listing rules of the SGX-ST in compliance with Rule 730(2) of the Listing Manual, as well as to take into account the provisions of the Personal Data Protection Act 2012 (“**PDPA**”) relating to the collection, use and disclosure of personal data, and to streamline and rationalise certain other provisions.

### 2.3 Summary of Key Regulations in the New Constitution

The following is a summary of the key regulations of the New Constitution which are significantly different from the equivalent articles in the Existing Constitution. The Appendix I of this Circular contains the text of the key regulations in the New Constitution which are significantly different from the equivalent articles in the Existing Constitution, or which have been included in the New Constitution as new regulations.

#### 2.3.1 Amendments in view of the Amendment Act

The following amendments to the Existing Constitution are in line with the Companies Act as amended pursuant to the Amendment Act:

- (a) Regulation 1 (Article 1 of Existing Constitution). Article 1 of the Existing Constitution, which provided that the “regulations in Table A in the Fourth Schedule to the Companies Act... shall not apply to the Company, except so far as the same are repeated or contained in these Articles”, has been amended to state that the Companies (Model Constitution) Regulations 2015 shall not apply to the Company except as repeated and contained in the Regulations of the Constitution. This is in line with the repealing of Table A following the Amendment Act, and the enactment of the Companies (Model Constitution) Regulations 2015.
- (b) Regulation 2 (Article 2 of Existing Constitution). Regulation 2 is the interpretation section of the New Constitution and includes the following additional/revised provisions:
  - (i) a new definition of “Applicable Laws” that includes the Companies Act, the Securities and Futures Act (Cap 289) (the “**SFA**”) and the Listing Manual. Regulations within the Constitution that provide for various rights that Directors and Shareholders may be granted have been described as being subject to Applicable Laws, and Regulations that place obligations on Directors and Shareholders have been described as being “as required by Applicable Laws”. This provides for flexibility in the New Constitution to allow the Company to refrain from certain actions, or take certain actions allowed by changes in the applicable laws without having to make amendments to the New Constitution;
  - (ii) new definition of “Chief Executive Officer” as having the meaning ascribed to “chief executive officer” in the Companies Act. This is in line with the new provisions in the Amendment Act relating to chief executive officers;
  - (iii) new definition of “Constitution” as referring to the new constitution of the Company;

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- (iv) 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;
  - (v) revised definitions of “writing” and “written” to clarify that the terms “writing” and “written” include 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;
  - (vi) new regulation stating that the expressions “current address”, “electronic communication”, “Ordinary Resolution”, “Special Resolution” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Companies Act, in light of the introduction of the new provisions facilitating electronic communication and the multiple proxies regime pursuant to the Amendment Act;
  - (vii) new definition of the terms “Depositor”, “Depository”, “Depository Agent” and “Depository Register” as having the meanings ascribed to them in the SFA as the provisions in relation to the Central Depository System in the Companies Act have migrated to the SFA; and
  - (viii) new definition of “SFA” to refer to the Securities and Futures Act, Cap. 289.
- (c) Regulation 11 (Article 11 of Existing Constitution). Regulation 11, which relates to the requirement to disclose the amount paid on the shares in the share certificate relating to those shares has been removed in Regulation 11. 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.
- (d) Regulation 51 (Article 51 of Existing Constitution). Regulation 51, 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 the 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 the new section 74A of the Companies Act, which sets out the procedure for such conversions.
- Whilst Regulation 51 provides for the conversion of shares from one class to another or from one currency to another, it does not apply to dual class shares structure as at present as the Company notes that it currently only has one class of shares and that dual class shares structure are currently only permitted for new listings. In the event the Company adopts a dual class shares structure in the future, the Company will ensure that it complies with the requirements set out under the Companies Act and the Listing Manual.
- (e) Regulation 72(1) and 72(2) (Article 72 of Existing Constitution). Regulation 72(1) provides that all resolutions at general meeting shall be voted by poll unless such requirement is waived by the stock exchange. Regulation 72(2), 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

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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 held by the members conferring that right. This is in line with section 178 of the Companies Act, as amended pursuant to the Amendment Act.

- (f) Regulations 77, 83 and 86 (Articles 77, 83 and 86 of Existing Constitution). Regulations 77, 83 and 86, 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) a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies to attend, speak and vote at general meetings of the Company;
  - (ii) 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 the Constitution 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; and
  - (iii) 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. This is in line with section 178(1)(c) of the Companies Act, as amended pursuant to the Amendment Act.
- (g) Regulation 108 (Article 108 of Existing Constitution). Regulation 108, 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.
- (h) Regulation 110 (Article 110 of Existing Constitution). Regulation 110, which relates to the general powers of the Directors to manage the Company's business, clarifies that the business and affairs of the Company are to be managed by, or under the direction of or, additionally, under the supervision of, the Directors. This is in line with section 157A of the Companies Act, as amended pursuant to the Amendment Act.
- (i) Regulations 67 and 147 (Articles 67 and 147 of Existing Constitution). Regulation 147 which relate 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



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annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

The references to the Company's "accounts", "profit and loss account(s)" and Directors' "reports" have also been updated/substituted in Regulations 67 and 147 with references to "financial statements" and Directors' "statements", as appropriate, for consistency with the updated terminology in the Companies Act.

- (j) Regulation 152 (Article 152 of Existing Constitution). Regulation 152, 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:

- (1) 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; and
- (2) the company has separately notified the shareholder directly in writing on at least one occasion of the following:
  - (a) that the shareholder has a right to elect, within a time specified in the notice from the issuer, whether to receive documents in either electronic or physical copies;
  - (b) that if the shareholder does not make an election, documents will be sent to the shareholder by way of electronic communications;
  - (c) the manner in which electronic communications will be used is the manner specified in the Constitution or other constituent document of the issuer;
  - (d) that the election is a standing election, but that the shareholder may make a fresh election at any time; and
  - (e) until the shareholder makes a fresh election, the election that is conveyed to the issuer last in time prevails over all previous elections as the shareholder's valid and subsisting election in relation to all documents to be sent.

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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, Regulation 1 (Cap 50) (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. Where any shareholder has highlighted such concerns, the Company will address such concerns at the general meeting.

Regulation 152 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) if permitted by the prevailing listing rules of any stock exchange upon which shares in the Company may be listed, 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) if the Company is not permitted by the prevailing listing rules of any stock exchange upon which shares in the Company may be listed, to regard a member as having deemed to have agreed to receive such notice or document by way of such electronic communications in the manner prescribed under sub-paragraph (ii) above, for these purposes, Shareholders shall be given 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).

Regulation 152 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, Rule 1212 of the Listing Manual provides that if an issuer uses website publication as the form of electronic communications, the issuer shall separately provide a physical notification to shareholders notifying of the following:

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- (a) the publication of the document on the website;
- (b) if the document is not available on the website on the date of notification, the date on which it will be available;
- (c) the address of the website;
- (d) the place on the website where the document may be accessed; and
- (e) how to access the document.

Rule 1212 of the Listing Manual will apply to the Company in the event that it serves notices and documents to Members by making them available on a website.

Under new regulation 89D of the Companies Regulations, notices or documents relating to takeover offers and rights issues cannot be transmitted by electronic means. Similarly, Rule 1210 of the Listing Manual provides that an issuer shall send the following documents to its shareholders by way of physical copies: (i) forms or acceptance letters that shareholders may be required to complete; (ii) notice of meetings, excluding circulars or letters referred in that notice; (iii) notices and documents relating to takeover offers and rights issues; and (iv) notices under Rules 1211 and 1212 of the Listing Manual. Notwithstanding that the Company is permitted by the Companies Act and the Listing Manual to send notices and documents to Shareholders by electronic communications, Rule 1211 of the Listing Manual provides that when an issuer uses electronic communications to send a document to a shareholder, the issuer shall inform the shareholder as soon as practicable of how to request for a physical copy of that document from the issuer and the issuer shall provide a physical copy of that document upon such request. Therefore, Regulation 152(g) has been inserted to provide that the Company shall send to Members physical copies of such notices or documents as may be specified by law or the listing rules of the SGX-ST.

- (k) Regulation 159 (Article 159 of Existing Constitution). Regulation 159, 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.

### 2.3.2 ***Amendments in view of the Listing Manual***

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

The following amendments to the Existing Constitution are in line with the Listing Manual prevailing as at the Latest Practicable Date.

- (a) Regulation 29 (Article 29 of Existing Constitution). Regulation 29 which relates to the Directors' discretion to refuse to register a transfer of shares, has been amended to be in line with Rule 733 of the Listing Manual, which provides that if an issuer refuses to register a transfer of a security, it must give to the lodging party written notice of the refusal and the precise reasons therefor within 10 market days after the date on which the transfer was lodged with the issuer.

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- (b) Regulation 62 (Article 62 of Existing Constitution). Regulation 62, which relates to the annual general meetings of the Company, has been amended to provide that such annual general meetings shall be held within the Republic of Singapore, in line with Rule 730A(1) of the Listing Manual. In line with Rule 707(1) of the Listing Manual, Regulation 147(2) also provides that the time between the end of the Company's financial year and the date of its annual general meeting must not exceed four (4) months.
- (c) Regulation 65 (Article 65 of Existing Constitution). Regulation 65, which relates to notice of general meetings, clarifies that the requirement for at least 14 days' notice of any general meeting to be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to any stock exchange upon which shares in the Company may be listed only applies so long as the shares in the Company are listed on any stock exchange. This is in line with paragraph (7) of Appendix 2.2 of the Listing Manual.
- (d) Regulations 72, 73 and 77 (Articles 72, 73 and 77 of Existing Constitution). Regulation 72, 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 any stock exchange upon which shares in the Company may be listed, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the stock exchange). Consequential changes have been made to Regulations 73 and 75. These changes are in line with Rule 730A of the Listing Manual.
- (e) Regulation 103. Regulation 103 which relates to the resignation and removal of managing directors has been amended to provide that the managing director of the Company shall also be subject to the same provisions as to rotation, renewal, resignation and removal as the other Directors of the Company. This amendment is in line with the new Rule 720(4) of the Listing Manual.
- (f) Regulation 109 (Article 109 of Existing Constitution). Regulation 109, 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.

### 2.3.3 **Objects Clauses**

To be in line with section 23 of the Companies Act, the Company proposes to delete the existing memorandum of association, including the objects clause in its entirety and following this, Regulation 1 of the Existing Constitution be amended to the effect that, subject to the provisions of the Companies Act and any other written law and the New 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 the purposes of paragraph (a) above, full rights, powers and privileges.

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, subject to the restrictions imposed by the New Constitution, the Companies Act, the Listing Manual and any other applicable laws, rules and regulations.

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### 2.3.4 **Amendments in view of the PDPA**

In general, under the PDPA, 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 Regulation 161(2) specifies, amongst others, 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.

### 2.3.5 **General**

The following amendments to the Existing Constitution are to update, streamline and rationalise the New Constitution.

- (a) Regulation 62 (Article 62 of Existing Constitution). Regulation 62, which relates to, *inter alia*, the time-frame for holding annual general meetings, states that an annual general meeting shall be held once in every year within a period of not more than 15 months after the last preceding annual general meeting. This has been amended to state that the time between the end of the financial year of the Company and the date of the Company's annual general meeting shall not exceed four months otherwise as approved by the SGX-ST or any other relevant authority as may be applicable. This follows the amendments to section 175 of the Companies Act pursuant to the 2018 Amendment Act.
- (b) Regulation 83 and 85 (Articles 83 and 85 of Existing Constitution). Regulation 83, 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, Regulation 85, 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 instrument appointing a proxy through digital means.

- (c) Regulations 28, 87 and 98 (Articles 28, 87 and 98 of Existing Constitution). These regulations 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 which repealed and replaced the Mental Disorders and Treatment Act.
- (d) Regulation 131(2) (Article 131 of the Existing Constitution) Regulation 131(2) which, *inter alia*, sets out the power of Directors in relation to scrip dividend scheme, has been inserted into the Constitution to enable the Directors to provide the flexibility to Shareholders to elect to receive dividends as fully-paid ordinary shares in lieu of cash, subject to any applicable laws. This has been inserted to facilitate the establishment of a scrip dividend scheme by the Company where circumstances are appropriate. The Company believes that the establishment of a scrip dividend scheme will be beneficial to Shareholders as, under a scrip dividend scheme, Shareholders can have the choice of receiving such dividend payment as cash and/or additional Shares, which would give Shareholders greater flexibility in meeting their investment objectives. A scrip dividend scheme can also enable Shareholders to

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participate in the equity capital of the Company without having to incur costs such as brokerage fees, stamp duty and other related costs. The above amendments are thus required to provide the Directors the flexibility to establish and administer a scrip dividend scheme.

### 3. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the proposed adoption of the New Constitution is in the best interests of the Company and accordingly recommend that the Shareholders vote in favour of the special resolution 10 pertaining to the adoption of the New Constitution to be proposed at the AGM.

### 4. 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 proposed adoption of the New Constitution, the Company and its subsidiary, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in the 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 the Letter in its proper form and context.

### 5. DOCUMENTS FOR INSPECTION

The following documents of the Company is available for inspection at the office of the Company's registered office at 18 Ah Hood Road #13-51 Hiap Hoe Building At Zhongshan Park Singapore 329983 during normal business hours from the date hereof up to and including the date of the AGM:

- (a) the existing Constitution of the Company;
- (b) the proposed New Constitution; and
- (c) the annual report of the Company for the financial year ended 31 December 2018.

Yours faithfully  
For and on behalf of the Board of Directors of  
**HIAP HOE LIMITED**

Teo Ho Beng  
Executive Director and Chief Executive Officer

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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:

### **Regulation 1**

1. The Regulations contained in ~~Table "A" in the Fourth Schedule to the Companies Act, Chapter 50 (Model Constitutions) Regulations 2015 (Cap. 50, S833/2015)~~ shall not apply to the ~~excluded~~ Company, except so far as the same are repeated or contained in these ~~Articles, Regulations.~~ Table "A"  
Model  
Constitution  
excluded

### **Regulation 1A**

- 1A. Subject to the provisions of the Act and any other written law and this Constitution, the Company has: Power to  
undertake any  
business or  
activity
- (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction;
- (b) for the purposes of paragraph (a) above, full rights, powers and privileges; and
- (c) the Company is a company limited by shares and the liability of the Members is limited.

### **Regulation 2**

2. ~~In these Articles these Regulations,~~ the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context: Interpretation  
Clause

"Applicable laws" means all laws, bye-laws, regulations, orders and/or official directions for the time being in force affecting the Company and its subsidiaries, including but not limited to the Act, the SFA and the listing rules of the Exchange (or any other stock exchange upon which the shares in the Company may be listed). Provided always that a waiver granted in connection to any such law shall be treated as due compliance with such relevant law;

"Chief Executive Officer" or "CEO" means any one or more persons, by whatever name described, who:

- (a) is in direct employment of, or acting for or by arrangement, with the Company; and
- (b) is principally responsible for the management and conduct of the business;

"Constitution" means this Constitution or other regulations of the Company for the time being in force;

"Registered address" or "address" means 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;

"SFA" Securities and Futures Act, Cap 289;

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The words "Depositor", "Depository", "Depository Agent" and "Depository Register" shall have the meanings respectively as used in ~~these Articles~~ these Regulations ascribed to them in the Act SFA.

The expressions "current address", "electronic communication", "Ordinary Resolution", "relevant intermediary" and "Special Resolution" shall have the meanings ascribed to them respectively in the Act while the expressions "bare trustee" and "documents evidencing title" shall have the meanings ascribed to them respectively in Section 130A of the Act.

"Writing" and "Written" shall include, except where expressly specified herein or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in any Applicable Laws, any printing, typewriting, and lithography and any other mode or modes of representing or reproducing words, symbols or other information which may be displayed in a visible form, whether in physical document or in an electronic communication or form or otherwise howsoever.

### **Regulation 11**

11. Every certificate of title to shares shall be under the Seal in such form as the Directors shall from time to time prescribe and shall bear the autographic or facsimile signatures of at least two Directors, one Director and the Secretary or some other person appointed by the Directors in place of the Secretary, and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up and the amounts paid up and the amounts unpaid (if any) unpaid thereon and the extent to which the shares are paid up. Any facsimile of such signatures may be reproduced by mechanical or other means prescribed by the Directors from time to time. Share Certificates

### **Regulation 28**

28. The legal title in shares shall not in any circumstances be transferred to any infant, bankrupt or person ~~of unsound mind~~ who is mentally disordered. Persons under disability

### **Regulation 29**

29. (1) There shall be no restriction on the transfer of fully paid shares (except where required by this Constitution, Applicable Laws or by the rules, bye-laws or listing rules of any Exchange) but the Directors may decline to register the transfer of any share (not being a fully paid share) to a person whom they shall not approve, and they may also decline to register the transfer of a share on which the Company has a lien Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within ~~one month~~ 10 market days or such other period as may be required or permitted under Applicable Laws, beginning with the day on which the application for a transfer of shares was made, serve a notice in writing to the transferor, the transferee and the lodging party, stating the precise reasons and the facts which are considered to justify the refusal as required by the Act. Director's power to decline to register
- (2) The Directors may also in their sole discretion decline to register any instrument of transfer of share, unless: Fee payable and deposit of transfer
- (a) the instrument of transfer is duly stamped and such fee, not exceeding two dollars (\$2.00) (or such other sum as may be approved by the Exchange from time to time) per transfer is paid to the Company in respect thereof; and



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- (b) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint, accompanied by the certificates of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and if the instrument of transfer is executed by some other person on his behalf, the authority of the person to so do; and
  - (c) the instrument of transfer is in respect of only one class of shares.
- (3) All instruments of transfer which are registered may be retained by the Company, but any instrument of transfers which the Directors may decline to register shall (except in the case of fraud), be returned to the person depositing the same. Retention of transfer
- (4) Subject to any Applicable Laws requiring the Company to keep and maintain Company records, ~~the~~ the Company shall be entitled to destroy: Disposal of records
  - (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof;
  - (b) all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof; and
  - (c) all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof.

### **Regulation 51**

51. The Company may in General Meeting by ordinary resolution alter its share capital in the manner permitted under the ~~Act~~ Applicable Laws including without limitation: Company may alter its capital in certain ways
- (a) to consolidate and divide all or any of its share capital; or
  - (b) to cancel the number of shares which, at the date of passing of the resolution, in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the number of shares so cancelled; or
  - (c) to subdivide its shares or any of them, provided always that in such subdivision, the proportion between the amount paid and the amount unpaid (if any) on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived and so that the resolution whereby any shares is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; or
  - (d) to convert all or any of its paid-up shares into stock and reconvert that stock into paid-up shares; or

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- (e) subject to the provisions of ~~these Articles~~ these Regulations and the Act Applicable Laws, convert its share capital or any class of shares into any other class of shares or from one currency to another currency.

### Regulation 62

62. Save as otherwise permitted under the Act, ¶the Company shall hold a General Meeting once in every calendar year in the Republic of Singapore, at such time and place as may be determined by the Directors. The time between the end of the financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four (4) months or otherwise as approved by the Exchange or any other relevant authority as may be applicable. , but so that not more than fifteen months shall be allowed to elapse between the date of one General Meeting and that of the next. General Meetings

### Regulation 65

65. Subject to the provisions of the Act as to sSpecial rResolutions and the calling of General Meetings at short notice and the listing rules of the Exchange, any General Meeting at which it is proposed to pass a Special Resolution or a resolution of which special notice has been given to the Company, shall be called by at least twenty-one days' notice at least and any other General Meeting, by at least fourteen days' notice in writing (exclusive both of the day on which the notice is served or deemed to be served and of the day for which the notice is given) or such other period as may be required or permitted under Applicable Laws. of Every notice calling a General Meeting shall every General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notices from the Company. and So long as the shares in the Company are listed on any stock exchange, at least fourteen days' notice of such meeting or such other period as may be required or permitted under Applicable Laws shall be given by advertisement in the daily press and in writing to the Exchange and to such other stock exchanges on which the Company is listed Provided always that the accidental omission to give any such notice or the non-receipt of such notice by any person entitled thereto shall not invalidate or otherwise affect the proceedings at any General Meeting. Notice and special notice

Provided also that a General Meeting notwithstanding that it has been called by shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

- (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- (b) in case of an Extraordinary General Meeting by that number or a majority in number of the Members having a right to attend and vote thereat as is required by the Act.

### Regulation 67

67. All business shall be deemed special that is transacted at any Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the following which shall be ordinary business, that is to say: Special Business
- (a) sanctioning a dividend;

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- (b) the consideration of the ~~accounts and balance sheets~~ financial statements, the ~~reports of the~~ Directors Statement and the Auditors report and any other documents accompanying or annexed to the ~~balance sheets~~ financial statement;
- (c) the appointment of Directors in the place of those retiring by rotation or otherwise;
- (d) the fixing of the remuneration of the Directors; and
- (e) the appointment and fixing of the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

### **Regulation 72**

72. (1) If required by the listing rules of any stock exchange upon which the shares in the Company may be listed, all resolutions at General Meetings shall be voted by poll, unless such requirement is waived by the stock exchange. How resolution decided
- (2) Subject to Regulation 72(1), At all General Meetings, resolutions put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands, a poll is demanded in writing (i) by the Chairman or (ii) by at least two Members present in person or by proxy or by attorney or in the case of a corporation, by a representative and entitled to vote thereat, or (iii) by the holder or holders in person or by proxy or by attorney or in the case of a corporation, by a representative of at least five percent of the total voting rights of all the holders having the right to vote at the meeting or (iv) by the holder or holders in person or by proxy or by attorney or in the case of a corporation, by a representative of at least ~~one-tenth~~ five percent of the total number of paid-up shares of the Company (excluding treasury shares) conferring a right to vote at the meeting, and unless a poll is so demanded (and the demand is not withdrawn), a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll 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. How resolution decided

### **Regulation 73**

73. If a poll be demanded in the manner aforesaid (and the demand is not withdrawn), it shall be taken at such time and place, and in such manner as the Chairman shall direct (including the use of ballot or voting papers or tickets), and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may (and if so ~~requested shall~~ directed by the meeting or if required by the listing rules of any stock exchange upon which the shares in the Company may be listed), 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. Poll to be taken as Chairman shall direct

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### Regulation 77

77. Subject and without prejudice to any special privileges or proxy 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, each Member entitled to vote may vote in person or by proxy or by attorney or in the case of a corporation by a representative. Every Member, who is present in person or by proxy or attorney, or in the case of a corporation by a representative, shall: and on a show of hands, shall have one vote and upon How votes may be given and who can act as proxy
- (a) on a poll shall have one vote for every share which he holds or represents; and-
- (b) on a show of hands, have one vote, Provided 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 shall vote on a show of hands and in the absence of such determination, only one of the two proxies as determined by the Chairman (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and
- (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.

### Regulation 83

83. (1) An instrument appointing a proxy shall be in writing and subject to the listing rules of any stock exchange upon which the shares of the Company may be listed; and 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 if the instrument of proxy 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 means; 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 of proxy 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.

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- (2) 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, as contemplated in Regulations 83(1)(a)(ii) and 83(1)(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), Regulation 83(1)(a)(i) and/or (as the case may be) Regulation 83(2)(b)(i) shall apply.
- (3) The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor, (which shall, for purposes of this ~~Article~~ Regulation 83(2), include a Depositor) 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 ~~Article~~ Regulation 85, failing which the instrument may be treated as invalid.
- (4) 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.

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

### **Regulation 85**

85. An instrument appointing a proxy and, where the instrument of proxy is signed on behalf of the appointor (which shall, for the purposes of this ~~Article~~ Regulation, include a Depositor) by an attorney, the power of attorney ~~or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority (failing previous registration with the Company);~~
- Deposit of proxies
- (a) if sent personally by post, must be shall be deposited left at the Office or such other place (if any) as is specified for the purpose in the notice convening the Meeting; or
- (b) if submitted by electronic communication, must be received through such means as may be specified for that purposes in or by way of note to or in any document accompanying the notice convening the Meeting.

And in either case not less than ~~forty-eight~~ seventy-two hours before the time appointed for the time of holding the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used and in default shall not be treated as valid.

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 Regulation 85(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 85(a) shall apply.

### **Regulation 86**

86. (1) A Depositor shall only be entitled to attend any General Meeting and to speak and vote thereat if his name appears on the Depository
- Where the Depository is

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- Register ~~forty-eight~~ seventy-two hours before the General Meeting as a Depositor (the "Relevant Time"). The Company shall then be entitled to deem each such Depositor as holding such number of shares as is entered against such Depositor's name in the Depository Register as at the Relevant Time, according to the records of the Depository as supplied by the Depository to the Company. registered holder of shares
- (2) Where the Depositor has appointed a proxy, the Company shall be entitled to deem each proxy of a Depositor who is to represent the entire shareholding of the Depositor as representing such number of shares as is entered against such Depositor's name in the Depository Register as at the Relevant Time, according to the records of the Depository as supplied by the Depository to the Company.
- (3) Where the Depositor has appointed two proxies and specified the proportion of his shares which each proxy is to represent, the Company shall be entitled to apportion such number of shares as is entered against such Depositor's name in the Depository Register as at the Relevant Time, according to the records of the Depository as supplied by the Depository to the Company, between the two proxies in the same proportion as specified by the Depositor in appointing the proxies.
- (4) No instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the Depositor's shareholding as specified in the instrument of proxy, or, where the same has been apportioned between two proxies, the aggregate of the proportions of the Depositor's shareholding which they are specified to represent, and the shareholding of a Depositor as appears on the Depository Register ~~forty-eight~~ seventy-two hours before the General Meeting.
- (5) The Company shall be entitled to reject an instrument of proxy lodged by any Depositor whose name does not appear on the Depository Register as at ~~forty-eight~~ seventy-two hours before the General Meeting at which the proxy is to act as certified by the Depository to the Company or to accept as validly cast by the proxy or proxies appointed by the Depositor on a poll that number of votes which corresponds to or is less than the aggregate number of shares entered in its Securities Account of that Depositor as at the cut-off time as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

### Regulation 87

87. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of ~~these Articles~~ these Regulations shall also include a Power of Attorney) shall be valid, notwithstanding the previous death or ~~unsoundness of mind~~ mental disorder of the principal or revocation of the proxy, or the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy was executed, or the transfer of the share in respect of which the proxy is given Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or at such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used. Intervening death or ~~unsoundness of mind~~ mental disorder of principal not to revoke proxy

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### **Regulation 98**

98. Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a Director shall be vacated: Office of Director vacated in certain cases
- (a) ~~if a receiving order is made against him or he makes any arrangement or composition with his creditors~~ he becomes bankrupt or shall make any arrangement or composition with his creditors generally;
  - (b) ~~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;
  - (c) if he absents himself from the meetings of Directors for a period of six months without a special leave of absence from the other Directors, and they pass a resolution that he has by reason of such absence vacated his office;
  - (d) if he is removed by a resolution of the Company in General Meeting;
  - (e) if he shall be requested to vacate office by all the other Directors, and they pass a resolution that he has been so requested and by reason thereof has vacated his office;
  - (f) if he is prohibited from being a Director by or any order made under any provision of the Act or this Constitution; ~~or~~
  - (g) if by notice in writing given to the Company he resigns his office; or-
  - (h) if he is disqualified from acting as a Director in any jurisdiction for grounds other than on technical grounds.

### **Regulation 103**

103. A Managing Director ~~shall not while he continues to hold office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors but~~ he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to the rotation and retirement, resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director save so far as otherwise expressly provided by the agreement (if any) under which he holds the office. Special position Resignation and Removal of Managing Directors

### **Regulation 108**

108. (1) The Company at the meeting at which a Director retires under any provisions of ~~these Articles~~ these Regulations may by ordinary resolution fill the vacated office by electing a person thereto. In default, the retiring Director shall be deemed to have been re-elected, unless: Filling vacated office
- (a) at such Meeting, it is expressly resolved not to fill such vacated office, or a resolution for the re-election of such Director is put to the Meeting and lost; or

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- (b) the Director is disqualified from holding office as a Director pursuant to Regulation 98 or such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
- (c) such Director has attained any retiring age applicable to him as Director the default is due to the moving of a resolution in contravention of Regulation 98(h).

The retirement shall not have an 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 re-election 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.

- (2) A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

### **Regulation 109**

109. No person, other than a retiring Director, shall ~~unless recommended by the Directors for election~~ be eligible for election as a Director at any General Meeting unless he or some Member intending to propose him has at least eleven clear days and not more than forty-two clear days (exclusive of the date on which the notice is given) or such other period as may be required or permitted under Applicable Laws before the meeting left at the Office a notice in writing duly signed by him giving his consent to the nomination and signifying his candidature or the intention of such Member to propose him Provided that in the case of a person recommended by the Directors for election nine clear days' notice or such other period as may be required or permitted under Applicable Laws only shall be necessary and notice of each and every candidate for election to the Board of Directors shall be served on all Members at least seven days or such other period as may be required or permitted under Applicable Laws prior to the Meeting at which the election is to take place.
- Notice of candidate as Director to be given

### **Regulation 110**

110. The business of the Company shall be managed by the Directors or under supervision of the Directors, who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Act or by ~~these Articles these Regulations~~ these Regulations required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of ~~these Articles these Regulations~~ these Regulations and, to the provisions of the Act, and to such regulations not being inconsistent with the aforesaid regulations or provisions as may be prescribed by the ~~Special Resolution~~ Resolution of the Company, but no regulations so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this ~~Article~~ Regulation shall not be limited or restricted by any special authority or power given to the Directors by any other ~~Article~~ Regulation Provided that any sale or disposal of the Company's main undertaking shall be subject to ratification by the Members in General Meeting.
- Business of Company to be managed by Directors



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### Regulation 131

131. (1) The Company may, upon the recommendation of the Directors, by special ordinary resolution direct payment of a dividend either wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of the Company, or of paid-up shares or debentures of any other company in any one or more of such ways and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed, in order to adjust the rights of all Members, and may vest any such specific assets in trustees upon trust for the Members entitled to the dividend as may seem expedient to the Directors. Payment of dividends in specie
- (2) Subject to the Applicable Laws: Scrip Dividend Scheme
- (a) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:
- (i) the basis of any such allotment shall be determined by the Directors;
- (ii) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;
- (iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded Provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion;
- (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not

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be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Regulation 139, the Directors shall capitalise and apply the amount standing to the credit of the Company's reserve accounts as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

- (b) (i) The ordinary shares allotted pursuant to the provisions of paragraph (a) of this Regulation shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- (ii) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) of this Regulation, with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).
- (c) The Directors may, on any occasion when they resolve as provided in paragraph (a) of this Regulation, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this Regulation shall be read and construed subject to such determination.
- (d) The Directors may, on any occasion when they resolve as provided in paragraph (a) of this Regulation, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register are outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlement of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

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### Regulation 147

147. (1) The Directors shall in accordance with the provisions of the Act and the requirements of the Exchange, cause to be prepared and to be laid before a General Meeting of the Company such ~~profit and loss accounts financial statements, balance sheets, group accounts consolidated financials statements~~ (if any) and reports as may be necessary made up to date not exceeding four months before such General Meeting or such other period as may be approved by the Act and/or any Applicable Laws and the listing rules of the Exchange. Presentation of Accounts
- (2) 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 and/or Applicable Laws and the listing rules of the Exchange).
- (3) A copy of every financial statement which is to be laid before a General Meeting of the Company (including every document required by the Act and/or Applicable Laws to be annexed hereto) which is duly audited and which is to be laid before a General Meeting of the Company accompanied by a copy of the Auditors report thereon shall not less than fourteen days or such other period as may be required or permitted under Applicable Laws before the date of the Meeting be sent to every Member of, the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of this Constitution; provided that:
- (a) these documents may, subject to the listing rules of any stock exchange upon which shares in the Company may be listed be sent less than 14 days or such other period as may be required or permitted under Applicable Laws before the date of the meeting if all persons entitled to receive notices of meetings from the Company so agree; and
- (b) this Regulation shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of a share in the Company or the several persons entitled thereto in consequence of the death of bankruptcy of the holder or otherwise but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office.

### Regulation 152

152. (a) A notice or any other document (including a share certificate) may be served by the Company upon any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register of Members or (as the case may be) the Depository Register. Service of notices by Company
- (b) Without prejudice to the provisions of ~~Article~~ Regulation 152~~3(a)~~, any notice or document (including, without limitations, 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 Articles~~ these Regulations by the Company, or by the Directors. To a Member or an officer or Auditor of the Company may, subject otherwise to the Act and any regulations made thereunder and (where applicable) the listing rules of any stock exchange upon which shares in the Company may be listed, be given, sent or served using Electronic Communications

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electronic communications to the current address of that person in accordance with the provisions of, or as otherwise provided by the Act and/or any other applicable regulations or procedures:-

- (i) to the current address of that person; or
- (ii) by making it available on the website prescribed by the Company from time to time; or
- (iii) in such manner as such Member expressly consents to by giving notice in writing to the Company,

in accordance with this Constitution, the Applicable Laws and/or any other applicable regulations or procedures.

- (c) For the purposes of Regulation 152(b), 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, unless otherwise provided under Applicable Laws. Implied consent
- (d) Notwithstanding Regulation 152(c) and in accordance with all Applicable Laws, a Member shall, at the Directors' discretion, be given 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, unless otherwise provided under Applicable Laws. Deemed consent
- (e) Where a notice or document is given, sent or served by electronic communications: When notice given by electronic communications deemed served
  - (i) to the current address of a person pursuant to Regulation 152(b)(i), 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 Applicable Laws and/or any other applicable regulations or procedures; and
  - (ii) by making it available on a website pursuant to Regulation 152(b)(ii), 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, unless otherwise provided under the Applicable Laws and/or any other applicable regulations or procedures.
- (f) Subject to the Applicable Laws, where a notice or document is given, sent or served to a Member by electronic communications or by making it available on a website pursuant to Regulation 152(b)(ii), the Company shall: Notice to be given by electronic communications
  - (i) inform the shareholder how to request a physical copy of the

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document or notice and upon such request, the Company shall provide a physical copy of the document or notice; and

- (ii) the Company shall also give separate physical notice to the Member of the publication of the notice or document on that website, if the document is not available on the website on the date of the notification, the date on which it will be available, the address of the website, the place on the website where the document may be accessed and the manner in which the notice or document may be accessed by any one or more of the following means:
- (1) by sending such separate notice to the Member personally or through the post pursuant to Regulation 152(a);
  - (2) by sending such separate notice to the Member using electronic communications to his current address pursuant to Regulation 152(b)(i);
  - (3) by way of advertisement in the daily press; and/or
  - (4) by way of announcement on any stock exchange upon which shares in the Company may be listed.
- (g) Notwithstanding Regulations 152(c) and 152(d) above, the Company shall send to the Members physical copies of such notices or documents as may be specified by law or the listing rules of the Exchange.

### **Regulation 159**

159. Subject to the provisions of the Act, the Directors, Auditors, Managing Agents, Secretary and other officers for the time being of the Company, and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs, executors and administration respectively shall be indemnified ~~out of the assets of~~ by the Company from and against all actions, proceedings, costs, charges, losses, damages and expenses incurred or to be incurred ~~which~~ by them or any of them ~~shall or may incur or sustain~~ by reason of any act done or omitted in or about the execution of their duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own wilful neglect or default respectively, and such officer or trustee shall not be answerable for the acts, receipts, neglects, or defaults, of any other officer or trustee or for joining in any receipt for the sake of conformity, or for the solvency or honesty of any bankers or other persons with whom any moneys, or effects belonging to the Company may be lodged or deposited for the safe custody or for any insufficiency or deficiency of any security upon which any moneys of the Company shall be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust, unless the same shall happen through the wilful neglect or default of such officer, or trustee.

### **Regulation 161**

161. (1) No Member shall be entitled to require discovery of or any information relating to any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Members of the Company to communicate to the public save Secrecy

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as may be authorised by law or required by the listing rules of the Exchange (or any other stock exchange upon which the shares in the Company may be listed).

- (2) (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
- (i) implementation and administration of any corporate action by the Company (or its agents or service providers);
  - (ii) internal analysis and/or market research by the Company (or its agents or service providers);
  - (iii) investor relations communications by the Company (or its agents or service providers);
  - (iv) administration by the Company (or its agents or service providers) of that Member's holding of shares in the Company;
  - (v) 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;
  - (vi) 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 list, minutes and other documents relating to any General Meeting (including any adjournment thereof);
  - (vii) implementation and administration of, and compliance with, any provision of this Constitution;
  - (viii) compliance with any Applicable Laws, listing rules, take-over rules, regulations and/or guidelines; and
  - (ix) 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 that 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 Regulations 163(2)(a)(v) and 163(2)(a)(vi), and is deemed to have agreed to indemnify the

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Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty.

