

CIRCULAR DATED 17 OCTOBER 2008

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section entitled "DEFINITIONS".

If you have sold or transferred all your Shares, you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

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

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	9 November 2008 at 2.30 p.m.
Date and time of Extraordinary General Meeting	:	11 November 2008 at 2.30 p.m.
Place of Extraordinary General Meeting	:	Merchant Court Ballroom, Section A Swissôtel Merchant Court Singapore 20 Merchant Road Singapore 058281

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DEFINITIONS

The following definitions shall apply throughout unless otherwise stated in this Circular:

Companies, Organisations and Agencies

“CDP”	:	The Central Depository (Pte) Limited
“Company”	:	Indofood Agri Resources Ltd.
“FPIL”	:	First Pacific Investments Limited
“FPIL BVI”	:	First Pacific Investments (B.V.I.) Limited
“Group”	:	The Company and its subsidiaries
“ISHPL”	:	Indofood Singapore Holdings Pte. Ltd.
“PT ISM”	:	PT Indofood Sukses Makmur Tbk
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

General

“Articles”	:	The Articles of Association of the Company
“Auditors”	:	The auditors for the time being of the Company
“Board”	:	The board of directors of the Company as at the date of this Circular
“Circular”	:	This circular dated 17 October 2008 to Shareholders
“Code of Corporate Governance”	:	The Code of Corporate Governance issued by the Council on Corporate Disclosure and Governance, as amended or modified from time to time
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore as amended or modified from time to time
“Companies (Amendment) Act 2004”	:	The Companies (Amendment) Act 2004 of Singapore
“Companies (Amendment) Act 2005”	:	The Companies (Amendment) Act 2005 of Singapore
“Directors”	:	The directors of the Company for the time being
“EGM”	:	The Extraordinary General Meeting of the Company, notice of which is given on pages C-1 to C-3 of this Circular
“EPS”	:	Earnings per Share
“Latest Practicable Date”	:	13 October 2008, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as amended from time to time
“Listing Rules”	:	The rules of the SGX-ST as set out in the Listing Manual
“Market Day”	:	A day on which the SGX-ST is open for trading in securities

DEFINITIONS

“Memorandum”	:	The Memorandum of Association of the Company
“NAV”	:	Net asset value
“Notice of EGM”	:	The Notice of EGM as set out on pages C-1 to C-3 of this Circular
“Register of Members”	:	The Register of Members of the Company
“Securities Account”	:	Securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with Shares
“Shares”	:	Ordinary shares in the share capital of the Company
“Share Purchase Mandate”	:	The mandate to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of such mandate
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares in a company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares in the company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers
<u>Countries, currencies, units and others</u>		
“Rp” or “Rupiah”	:	Indonesian Rupiah, the lawful currency of the Republic of Indonesia
“US\$”	:	United States dollars, the lawful currency of the United States of America
“S\$” and “cents”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“%” or “per cent.”	:	Per centum or percentage

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

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

DEFINITIONS

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

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated.

Any discrepancies in figures included in this Circular between the amounts shown and the totals thereof are due to rounding.

LETTER TO SHAREHOLDERS

INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

Directors

Lee Kwong Foo Edward (*Chairman and Lead Independent Director*)
Benny Setiawan Santoso (*Vice Chairman and Non-Executive Director*)
Mark Julian Wakeford (*Chief Executive Officer and Executive Director*)
Moleonoto Tjang (*Executive Director*)
Gunadi (*Executive Director*)
Suaimi Suriady (*Executive Director*)
Tjhie Tje Fie (*Non-Executive Director*)
Axton Salim (*Non-Executive Director*)
Lim Hock San (*Independent Director*)
Goh Kian Chee (*Independent Director*)
Hendra Susanto (*Independent Director*)

Registered Office

80 Raffles Place
#22-23 UOB Plaza 2
Singapore 048624

17 October 2008

To: The Shareholders of **INDOFOOD AGRI RESOURCES LTD.**

Dear Sir / Madam

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

1. INTRODUCTION

The Directors are convening an EGM to be held on 11 November 2008 to seek the approval of the Shareholders in relation to:-

- (a) the proposed adoption of the new Memorandum;
- (b) the proposed adoption of the new Articles; and
- (c) the proposed Share Purchase Mandate.

The purpose of this Circular is to provide Shareholders with information relating to the above-mentioned proposals to be tabled at the EGM.

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.

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

2.1 Changes to the Companies Act

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

LETTER TO SHAREHOLDERS

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

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

2.2 Adoption of the New Memorandum

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

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

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

To eradicate the uncertainty surrounding a company's power to act, amendments were made to the Companies Act pursuant to the Companies (Amendment) Act 2004. Section 22(1) of the Companies Act was amended so that it is no longer necessary to state the objects of the company in its memorandum of association. In addition, Section 23(1) of the Companies Act was amended to provide that a company has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, subject to the provisions of the Companies Act, any other written law and its memorandum and articles of association. Accordingly, it is proposed that the objects clause in the Existing Memorandum be deleted and replaced with clause 3 of the new Memorandum (the "**New Memorandum**") which is drafted so as to be consistent with the wording in the Companies Act.

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

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

LETTER TO SHAREHOLDERS

2.3 Adoption of the New Articles

Since the adoption of the existing Articles (the “**Existing Articles**”) in June 2002, numerous amendments have been made to the Companies Act and the Listing Manual. The Company has undertaken a review of the Existing Articles and proposes that certain amendments be made to the Existing Articles to take into account, *inter alia*, (i) the changes to the Companies Act, in particular, the Companies (Amendment) Act 2005, (ii) the prevailing Listing Rules and (iii) the Code of Corporate Governance. The Company is also taking this opportunity to streamline and rationalise certain other provisions in the Existing Articles. As substantial amendments are being made to the Existing Articles, it is proposed that a new set of Articles (the “**New Articles**”) be adopted instead of amending the Existing Articles.

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

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

2.4.1 *Interpretation Clause*

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

- (a) provides that “Auditors” refers to the auditors for the time being of the Company;
- (b) provides that the expression “electronic communication” refers to communication transmitted by means of a telecommunication system or by other means but while in an electronic form, such that it can be received in legible form or be made legible following receipt in non-legible form;
- (c) provides that references to “Member”, “holder of any share” or “shareholder” shall, where the Companies Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares;
- (d) provides that “Register of Members” refers to the Register of Members of the Company;
- (e) provides that “shares” refers to shares in the capital of the Company;
- (f) provides that “Statutes” refers to the Companies Act and every other legislation for the time being in force concerning companies and/or affecting the Company;
- (g) provides that the expression “treasury shares” is to have the meaning ascribed to it under the Companies Act, namely, shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Companies Act applies, and have been held by the Company continuously since the treasury shares were so purchased; and
- (h) provides that “%” or “per cent” refers to percentage or per centum.

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

Following the abolition of the concepts of par or nominal value under the Companies (Amendment) Act 2005, references to “par value”, “nominal value”, “denomination”, “authorised capital”, “discount”, “premium”, “capital redemption reserve fund” and “share premium account” in several Existing Articles have been excluded from the New Articles, namely, Existing Articles 8 (New Article 6), 32 (New Article 39), 35 (New Article 42), 37 (New Article 44), 50 (New Article 67(1)), 54 (New Article 70(1)), 55 (New Article 71), 56 (New Article 62), 57 (New Article 63), 58 (New Article 64), 124 (New Article 128) and 142 (New Article 176(b)).

LETTER TO SHAREHOLDERS

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

- (a) Existing Article 6 which states the authorised share capital of the Company;
- (b) Existing Article 8(iv) which relates to voting rights in respect of shares of different monetary denominations;
- (c) Existing Article 8(v) which provides that no shares shall be issued at a discount, except in accordance with the Companies Act; and
- (d) Existing Article 132 which provides for the share premium account of the Company.

2.4.3 **Business**

Existing Article 4 provides, *inter alia*, that subject to the provisions of the Companies Act, any branch or kind of business which by the Memorandum or the Articles is expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time or times as they shall think fit. It is proposed that Existing Article 4 be replaced with New Article 4 to take into account the amendments to Section 23 of the Companies Act and the proposed deletion of the objects clause set out in clause 3 of the Existing Memorandum from the New Memorandum.

2.4.4 **Prohibition in Dealing in its Shares and Financial Assistance**

Existing Article 7 provides that none of the funds or assets of the Company or of any subsidiary thereof shall be directly or indirectly employed in the purchase or subscription of or in loans upon the security of the Company's shares (or its holding company, if any) save to the extent permitted by the Companies Act and the Company shall not, except as authorised by the Companies Act give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any). It is proposed that Existing Article 7 be replaced with New Article 15 which is drafted so as to be consistent with the wording in the Companies Act.

2.4.5 **General Mandate to Issue Shares**

Existing Article 8 provides that subject to the Companies Act, no shares may be issued by the Directors without the prior approval of the Company in general meeting but subject thereto and to Existing Article 52, and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit. It is proposed that Existing Article 8 be replaced with New Article 6 to clarify that the Directors may issue, allot or make or grant offers or agreements for the issue of shares or options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and at such time and subject or not to any consideration being given.

In addition, it is proposed that:

- (a) Existing Article 8(i) which provides that no shares shall be issued which results in a transfer of a controlling interest in the Company without the prior approval of the members of the Company in a general meeting be deleted as it is no longer required by the Listing Manual to be included in the articles of association of a company. The deletion of such a provision from the New Articles would not, however, eliminate compliance obligations with applicable listing requirements of the SGX-ST that govern such matters; and

LETTER TO SHAREHOLDERS

- (b) Existing Article 8(ii) which provides that the total nominal value of issued preference shares shall not exceed the total nominal value of the issued ordinary shares be replaced with New Article 6(b) in view of the abolition of the concept of par value. New Article 6(b) provides that preference shares may be issued subject to such limitation thereof as may be prescribed by the listing rules of any stock exchange upon which shares in the Company may be listed.

2.4.6 ***Treasury Shares***

New Article 7 is proposed to be inserted following the introduction of the concept of treasury shares. New Article 7 provides that a treasury share shall be subject to such rights and restrictions as may be prescribed by the Companies Act and may be dealt with by the Company in such manner as may be permitted by, and in accordance with, the Companies Act.

2.4.7 ***Variation of Class Rights***

Existing Article 10 deals with the variation of rights in the event that the share capital of the Company is divided into different classes. It is proposed that Existing Article 10 be replaced with New Article 10 to further provide that where all the issued shares of the class are held by one person, the necessary quorum shall be one person and such holder of shares of the class present in person or by proxy or by attorney may demand a poll.

2.4.8 ***Commission on Subscription of Shares***

Existing Article 12 provides that the Company may exercise the powers of paying commissions conferred by the Companies Act provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Companies Act and the commission shall not exceed the rate of ten per cent. Section 67 of the Companies Act relating to the power to pay commissions has been repealed pursuant to the Companies (Amendment) Act 2005. However, as the Company may nevertheless retain a power to pay commissions or brokerage under the Articles, it is proposed that New Article 14 (which replaces Existing Article 12) provides that the Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit.

2.4.9 ***Power to Charge Interest on Capital***

Existing Article 13 provides that if any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions in the Companies Act, pay interest on so much of the share capital as is for the time being paid up. It is proposed that Existing Article 13 be replaced with New Article 16 to clarify that the paid up capital excludes treasury shares and the conditions and restrictions in the Companies Act are set out in Section 78.

2.4.10 ***Joint Holders***

Existing Article 15 deals with joint holders of shares. New Article 22 is proposed to replace Existing Article 15 to clarify that joint holders of any shares shall be deemed to hold the same as joint tenants with benefit of survivorship. New Article 22(c) is proposed to be inserted to clarify that on the death of any one of the joint holders, the survivor(s) shall be the only person(s) 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.

Existing Article 16, which provides that no person shall be recognised by the Company as having title to a fractional part of a share otherwise than as the sole or a joint holder of the entirety of such share, is proposed to be deleted as it will be covered in New Article 17.

LETTER TO SHAREHOLDERS

2.4.11 *Share Certificates*

Existing Article 18 deals with the authentication of share certificates. Existing Article 18 is proposed to be replaced with New Article 20 which provides that each certificate shall specify the number and class of shares to which it relates and the amount paid on the shares, the amount (if any) unpaid on the shares and the extent to which the shares are paid-up, so as to be in line with Section 123 of the Companies Act as amended pursuant to the Companies (Amendment) Act 2005. New Article 20 also empowers the Directors (instead of the Auditors) to approve the method or system of reproducing signatures including by electronic means, and clarifies that no certificate shall be issued representing more than one class of shares.

Existing Article 19 deals with the entitlement to share certificates. Existing Article 19 is proposed to be replaced with New Article 18 which reflects the current time-line for the issuance and delivery of share certificates prescribed by the Listing Rules (i.e. ten Market Days after the date of lodgement of a registrable transfer instead of fifteen Market Days as provided in Existing Article 19).

It is proposed that Existing Article 20(1), which deals with the replacement of share certificates, be replaced with New Article 21(1) which revises the fee payable for the issuance of a replacement share certificate from S\$1.00 to S\$2.00 in line with the current requirements of Section 125 of the Companies Act and paragraph 1(g) of Appendix 2.2 to the Listing Manual.

2.4.12 *Transfer of Shares*

Existing Article 21 provides that any member may transfer all or any of his shares in writing and in the form approved by the Directors and the SGX-ST. New Article 23 which replaces Existing Article 21 further requires the instrument of transfer to be accompanied by the certificate of the shares to be transferred and left at the registered office of the Company for registration.

Existing Article 22 provides that the instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository shall not be ineffective by reason of it not being signed or witnessed by or on behalf of the Depository. Existing Article 22 is proposed to be replaced with New Article 25 to extend this provision to a nominee of the Depository, in addition to the Depository. New Article 25 further grants the Directors the discretion to dispense with the execution of the instrument of transfer by the transferee.

Existing Article 23 prohibits the transfer of shares to any infant, bankrupt or person of unsound mind. New Article 27 is proposed to replace Existing Article 23 to clarify that nothing contained in the Articles shall be construed as imposing on the Company any liability in respect of the registration of such transfer if the Company has no actual knowledge of the same.

Existing Article 24 deals with the Directors' power to decline to register a transfer of shares and sets out the terms of registration of transfers. It is proposed that Existing Article 24 be replaced with New Article 29. In line with current requirements relating to e-stamping of documents chargeable with stamp duty, New Article 29(2) provides that the Directors may refuse to register any instrument of transfer of shares tendered for registration unless, *inter alia*, the amount of stamp duty with which each instrument of transfer is chargeable has been paid.

LETTER TO SHAREHOLDERS

Existing Article 24(1) also provides that if the Directors decline to register a transfer of shares, they shall give to both the transferor and the transferee written notice of their refusal to register as required by the Companies Act. New Article 30 is proposed to be inserted to clarify that where the Directors decline to register a transfer of shares, they shall within ten Market Days serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by Rule 733 of the Listing Manual.

Existing Article 26 provides that the Company may close the Register of Members and the Depository Register at such times and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in a year, by giving prior notice of such closure as may be required to the SGX-ST. New Article 31 is proposed to replace Existing Article 25 to clarify that the Register of Members may not be closed for more than thirty days in any year or such other period as may be prescribed by law and that during such periods the Directors may suspend the registration of transfers. New Article 31 also deletes references to the Depository Register as the Depository Register is kept by the Depository.

2.4.13 ***Calls on Shares***

Existing Article 34 deals with the interest payable on unpaid calls. New Article 41, which replaces Existing Article 34, further provides that all costs, charges and expenses which the Company may have incurred or become liable for, in procuring the payment of or in consequence of the non-payment of such call, shall also be payable by the person from whom the amount of the call is due.

Existing Article 37 deals with payment in advance of calls. New Article 44, which replaces Existing Article 37, provides that the Company may pay interest at such rate not exceeding without the sanction of the Company in general meeting eight per cent. (instead of ten per cent.) per annum as the Member paying such sum in advance and the Directors agree upon.

2.4.14 ***Forfeiture of Shares***

Existing Article 38 deals with notice requiring payment of unpaid calls. It is proposed that Existing Article 38 be replaced with New Article 45 to clarify that after a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment, the Directors may, at any time during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment.

Existing Article 39 deals with the contents of the notice requiring payment of unpaid calls. New Article 46, which replaces Existing Article 39, provides, *inter alia*, that the notice shall name a further day (not earlier than the expiration of fourteen days (instead of seven days) from the date of service of the notice) on or before which the payment required by the notice is to be made.

2.4.15 ***Lien on Shares***

New Article 60, which provides that the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the Register of Members as holder of the shares and that after the name of the purchaser has been entered in the Register of Members, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively, is proposed to be inserted.

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2.4.16 *Alteration of Capital*

Existing Article 52 deals with the issue of new shares. It is proposed that Existing Article 52(1) be replaced with New Article 67(2) with drafting changes made to clarify that:

- (a) the Company may authorise the Directors to exercise any power of the Company to issue shares, such authority being confined to a particular exercise of that power or generally; and
- (b) the Company may by ordinary resolution authorise the Directors to issue shares whether by way of rights, bonus or otherwise and/or to make or grant offers, agreements or options that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into shares.

2.4.17 *Share Repurchase*

Existing Article 54(2) provides that subject to and in accordance with the provisions of the Companies Act, the Company may authorise the Directors in general meeting to purchase or otherwise acquire any of its issued ordinary shares on such terms as the Company may think fit and in the manner prescribed by the Companies Act and that all shares repurchased shall be cancelled. It is proposed that Existing Article 54(2) be replaced with New Article 70(2) which provides that the Company may in general meeting, subject to and in accordance with the Companies Act, the Listing Rules and any applicable legislation or regulation, authorise the Directors to purchase or otherwise acquire any shares, stocks, preference shares, options, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt or financial instruments issued by it. In line with the Companies (Amendment) Act 2005, New Article 70(2) provides that the Company may hold or deal with any shares so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Companies Act. In particular, it is proposed that New Article 70(2) be inserted to (i) allow the Company to hold such purchased shares as treasury shares; and (ii) delete references to the amount of the share capital cancelled being transferred to an account called the "Capital Redemption Reserve".

2.4.18 *Reduction of Share Capital*

Existing Article 55 deals with the reduction of share capital by the Company. New Article 71, which replaces Existing Article 55, deletes references to capital redemption reserve fund and share premium account since under the Companies (Amendment) Act 2005, any amounts standing to the credit of the Company's capital redemption reserve and share premium account become part of its share capital. In addition, New Article 71 provides that upon cancellation of any shares purchased or otherwise acquired by the Company, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.

2.4.19 *General Meetings*

New Article 75, which provides that the time and place of any meeting shall be determined by the convenors of the meeting, is proposed to be inserted.

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2.4.20 **Notice of General Meetings**

Existing Article 62(1) deals with notice of general meetings. It is proposed that Existing Article 62(1) be replaced with New Article 76 with drafting changes made to:

- (a) specifically provide that twenty-one days' notice is to be given for a general meeting at which it is proposed to pass a special resolution or a resolution of which special notice has been given to the Company, so as to be consistent with the requirements in paragraph 7 of Appendix 2.2 to the Listing Manual;
- (b) provide, in accordance with Section 177(3)(b) of the Companies Act, that a general meeting may be called by shorter notice if it is so agreed (i) in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and (ii) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote thereat as is required by the Companies Act; and
- (c) clarify that so long as the shares of the Company are listed on the SGX-ST, at least fourteen days' notice of every general meeting shall be given by advertisement in the daily press and in writing to the SGX-ST by way of announcement on the SGXNET and to each stock exchange upon which the Company is listed provided that the accidental omission to give any such notice shall not invalidate the proceedings at the meeting.

Existing Article 163 specifies the persons to whom notice of every general meeting shall be given. New Article 77, which replaces Existing Article 163, provides that notice of every general meeting shall also be given to the Directors and the SGX-ST. New Article 77 further specifies that if a meeting is called for the alteration of the objects of the Company, the provisions of Section 33 of the Companies Act regarding notices to debenture holders shall be complied with.

2.4.21 **Quorum**

Existing Article 65 provides that no business shall be transacted at any general meeting unless a quorum of two members is present. It is proposed that Existing Article 65 be replaced with New Article 81 which clarifies that no business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum is present. New Article 81 also clarifies that a corporation being a member shall be deemed to be personally present if represented in accordance with Section 179(3) of the Companies Act.

2.4.22 **Adjournment of Meeting**

Existing Article 69 provides for the Chairman of a general meeting, with the consent of the meeting, to adjourn the meeting from time to time and place to place. New Article 84, which replaces Existing Article 69, provides that where a meeting is adjourned *sine die* (that is, indefinitely), the time and place for the adjourned meeting shall be fixed by the Directors. Further, New Article 84 provides that notice of the adjourned meeting shall be given as in the case of a general meeting where a meeting is adjourned for thirty days or more or *sine die* (instead of fourteen days or more).

2.4.23 **Resolution in Writing by Members**

It is proposed that Existing Article 67 which deals with resolutions in writing by members, be replaced with New Article 91 which clarifies that the expressions "in writing" and "signed" include approval by telefax, telex, cable or telegram by any such member.

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

Existing Article 70 which deals with the method of voting and who can demand a poll is proposed to be replaced with New Article 85. New Article 85(d), which replaces Existing Article 70(iv), provides that a poll can be demanded by member(s) present in person or by proxy and holding not less than 10% of the total number of paid-up shares of the Company (instead of total sum paid up on all the shares) conferring a right to vote at the meeting (excluding treasury shares), following the abolition of the concept of par value and the introduction of provisions on treasury shares pursuant to the Companies (Amendment) Act 2005.

Existing Article 74 deals with the time for taking a poll. New Article 87, which replaces Existing Article 74, provides that in case of any dispute, the Chairman's determination as to the admission or rejection of a vote made in good faith shall be final and conclusive.

2.4.25 ***Appointment of Proxies***

Existing Articles 82 and 83 which deal with the appointment of proxies is proposed to be replaced with New Article 99. New Article 99(6) which provides that the Company shall be entitled and bound, in determining the 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, is proposed to be inserted.

2.4.26 ***Meetings via Electronic Means***

New Article 93, which provides that the members may participate at a general meeting by telephone or video conference or by means of similar communication equipment whereby all persons participating in the meeting are able to hear and, if applicable, see each other and such participation shall constitute presence in person at such meeting and members so participating shall be counted in the quorum for the meeting, is proposed to be inserted to encourage greater shareholder participation at meetings.

2.4.27 ***Votes of Members***

Existing Article 76, which deals with the votes attached to each share and members' rights to vote at any general meeting of the Company, is proposed to be replaced with New Article 94. New Article 94(3) clarifies that a Depositor shall not be entitled to attend any general meeting and to speak and vote thereat unless his name is certified by the Depository to the Company as appearing on the Depository Register not later than 48 hours before that general meeting (instead of not earlier than 48 hours).

Existing Article 77 deals with the voting rights of joint holders. New Article 96, which replaces Existing Article 77, clarifies that the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other registered holders of the share and for the purposes of quorum, joint holders of any share or joint Depositors shall be treated as one member.

New Article 102, which provides that the instrument appointing a proxy shall be deemed to confer authority generally to act at the meeting for the member giving the proxy and sets out the form for the instrument appointing a proxy, is proposed to be inserted.

2.4.28 ***Voting in Abstentia***

Guideline 15.1 of the Code of Corporate Governance provides that companies should make appropriate provisions in their articles of associations to allow for abstentia voting methods such as by mail, e-mail, or facsimile, if the shareholders so consent. Pursuant to the recommendation under the Code of Corporate Governance, it is proposed that New Article 106 be inserted to give the Directors the discretion to implement methods of voting in abstentia.

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2.4.29 **Directors**

Existing Article 90 which sets out the names of the first directors of the Company is proposed to be deleted in its entirety as the directors listed in Existing Article 90 have ceased to be directors of the Company.

Existing Article 96 deals with the powers of the Directors to hold any other office or place of profit under the Company, and to contract or enter into any arrangement with the Company. Existing Article 96 is proposed to be replaced with New Article 112, with drafting changes made to, *inter alia*:

- (a) clarify that no Director shall be disqualified by his office from contracting or entering into any arrangement with the Company whether as lessor, lessee, mortgagor, mortgagee, manager, agent or broker (in addition to as vendor or purchaser); and
- (b) replace references to “contract” in Existing Article 96(1) to “transaction” in New Article 112(2) so as to align the Article with Section 156 of the Companies Act.

2.4.30 **Managing Directors**

Existing Articles 98, 99, 100 and 101 relate to the appointment, cessation, remuneration and powers of a Managing Director. References to “Chief Executive Officer” are proposed to be inserted where “Managing Director” appears in New Articles 122, 123, 124, and 125 (which replace Existing Articles 98, 99, 100 and 101, respectively) and wherever “Managing Director” appears in the other Existing Articles to accurately reflect the title and designation currently adopted by the Company.

New Article 124 (which replaces Existing Article 100) further clarifies that the remuneration of the Chief Executive Officer / Managing Director shall be subject to Section 169 of the Companies Act and to the terms of any agreement entered into.

2.4.31 **Vacation of Directors**

Existing Article 102 provides that the office of a Director shall be vacated on certain events. New Article 115, which replaces Existing Article 102, provides that the office of a Director shall be vacated if he absents himself from the meetings of the Directors during a continuous period of three months (instead of six months) without special leave of absence from the Board of Directors of the Company for the time being or if he be requested in writing by a majority of the other Directors to vacate office.

Existing Article 103 which provides for a Director or employee of the Company to resign as director of any related or associated company of the Company if he ceases to be Director or employee of the Company, respectively, is proposed to be deleted.

2.4.32 **Rotation of Directors**

It is proposed that Existing Articles 99 and 104 be replaced with New Articles 123 and 117, respectively, to provide that the Chief Executive Officer / Managing Director (or any person holding an equivalent appointment) will be subject to retirement by rotation, pursuant to the recommendation of the Code of Corporate Governance that all directors of listed companies be subject to re-nomination and re-election at regular intervals and at least once in every three years as a principle of good corporate governance.

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Existing Article 106 provides that a retiring Director shall be deemed to be re-elected except in certain circumstances. New Article 119, which replaces Existing Article 106, further provides that a Director shall not be deemed re-elected where the default is due to the moving of a resolution in contravention of Section 150 of the Companies Act. In addition, it clarifies that the retirement shall not take effect until the conclusion of the meeting and a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break (unless a resolution was passed to elect some other person in place of the retiring Director or a resolution for his re-election was put to the meeting and lost).

2.4.33 ***Alternate Directors***

Existing Article 109(1) relates to the appointment and remuneration of an Alternate Director and is proposed to be replaced with New Articles 135 and 139. With regard to the appointment of an Alternate Director, New Article 135 further provides that any appointment or removal by telefax, telex or cable shall be confirmed as soon as possible by letter, but may be acted upon by the Company meanwhile.

Existing Article 109(2) provides that an Alternate Director is entitled to receive notices of meetings of the Directors, attend meetings and to perform all functions of his appointor as a Director in his absence. Existing Article 109(2) is proposed to be replaced with New Article 138 which clarifies that in the absence of his appointor from Singapore, an Alternate Director is entitled to sign any resolution in writing of the Directors which shall be as effective as the signature of his appointor.

Existing Article 109(3) provides that an Alternate Director shall *ipso facto* cease to be an Alternate Director if his appointor ceases for any reason to be a Director. New Article 137 is proposed to replace Existing Article 109(3) to include the determination of the appointment of an Alternate Director on the happening of any event which if he were a Director would render his office as a Director to be vacated.

New Article 140 is proposed to be inserted to provide that an Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors but that he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of Directors attended by him at which he is entitled to vote.

In addition, New Article 141 is proposed to be inserted to provide that an Alternate Director shall not be required to hold any share qualification in the Company.

2.4.34 ***Proceedings of Directors***

Existing Articles 110(1), (2), (3) and (4) which relate to convening Directors' meetings and notice of such meetings are proposed to be replaced with New Articles 142, 143, 144 and 148, respectively.

New Article 143 (which replaces Existing Article 110(2)) provides that notice of a meeting of Directors shall be given to the members of the Board of Directors of the Company for the time being and such notice shall be given to all Directors, whether or not he is in Singapore. New Article 143 further provides that any Director may waive notice of any meeting and any such waiver may be retroactive.

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New Article 148 (which replaces Existing Article 110(4)) clarifies that meetings of Directors may be conducted by means of video conference or other methods or simultaneous communication by electronic, telegraphic or similar means and further provides that the minutes of such a meeting signed by the chairman of the meeting shall be conclusive evidence of any resolution of any meeting so conducted and that such a meeting is deemed to take place where the largest group of Directors present for purposes of the meeting is assembled. The requirement for such meetings to be held only if a physical meeting and resolution in writing is not possible because of insufficient number of Directors in Singapore to form a quorum in Existing Article 110(4) is proposed to be deleted to give the Board of Directors of the Company for the time being greater flexibility in conducting meetings of Directors.

New Article 149, which provides that the Directors participating in such meeting referred to in New Article 148 shall be counted in the quorum for such meeting, is proposed to be inserted.

Existing Article 113 which deals with the Chairman of the Directors is proposed to be replaced with New Article 145. New Article 145 provides that the Chairman or, in his absence, the Deputy Chairman shall preside as Chairman at meetings of the Directors but if no such Chairman or Deputy Chairman is elected or if at any meeting the Chairman and the Deputy Chairman are not present within fifteen minutes (instead of five minutes) after the time appointed for holding the same, a substitute for that meeting shall be appointed by such meeting from among the Directors present.

Existing Article 114 provides that a resolution in writing signed or approved by letter, telex, facsimile or telegram by a majority of the Directors for the time being and constituting a quorum shall be as effective as if it had been passed at a meeting of the Directors duly convened and held. It is proposed that Existing Article 114 be replaced with New Article 147 which clarifies that the expressions “in writing” and “signed” include approval by letter, telex, facsimile, cable, telegram, email or any other form of electronic communication approved by the Directors so as to promote business efficacy generally.

New Article 154, which provides that resolutions passed by the Directors, notice whereof has been given to the members in the manner in which notices are directed to be given in the New Articles and which has within one month after it was so passed been ratified and confirmed in writing by members entitled to three-fourths of the votes shall be as valid and effectual as a resolution of a general meeting (save for a resolution for winding up of the Company or resolutions passed in respect of any matter which ought to be dealt with by a special resolution), is proposed to be inserted.

2.4.35 ***Powers and Duties of Directors***

Existing Article 115 provides for the power of the Directors to delegate any of their powers to a committee consisting of members of their body. It is proposed that Existing Article 115 be replaced with New Article 129(1) which provides that the Directors may delegate any of their powers (other than the powers to borrow and make calls) to committees consisting of such members of their body and one or more other persons co-opted by them, and that the regulations that the Directors may impose on the committee may provide for or authorise the co-option to the committee of persons other than the Directors and for such co-opted members to have voting rights as members of the committee.

New Article 129(2), which provides that the Directors must at a minimum appoint an audit committee as required by the Companies Act, and such other committees as may be prescribed by the Code of Corporate Governance as deemed appropriate by the Directors, is proposed to be inserted so as to be in line with the requirements of the Companies Act and the Code of Corporate Governance.

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Existing Articles 116 and 117 provide for the procedures of meetings of a committee. It is proposed that Existing Articles 116 and 117 be replaced with New Article 130 which provides that the meetings and proceedings of the committee shall be governed by the New Articles relating to Directors' meetings so far as the same are applicable and are not superceded by any terms of reference made by the Directors under New Article 129.

Existing Article 119, which relates to the general power of the Directors to manage the business of the Company, is proposed to be replaced with New Article 126. New Article 126 is drafted to reflect Section 157A(2) of the Companies Act (which was incorporated into the Companies Act in May 2003) and provides that the Directors may exercise all the powers of the Company except any power that the Companies Act or the Articles require the Company to exercise in general meeting.

Existing Article 124 provides, *inter alia*, that the Directors may at their discretion exercise every borrowing power vested in the Company by its Memorandum of Association or permitted by law. It is proposed that Existing Article 124 be replaced with New Article 128 to take into account the proposed deletion of the objects clause set out in clause 3 of the Existing Memorandum from the New Memorandum.

2.4.36 **Secretary**

Existing Article 125 deals with the appointment and removal of Secretaries. Existing 125 is proposed to be replaced with New Article 155 which further provides that any Secretary may be removed by the Directors, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company and that the appointment and duties of the Secretary shall not conflict with the provisions of the Companies Act.

New Article 156 is proposed to be inserted to clarify that a thing required to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting as Director and as or in place of the Secretary. New Article 157, which provides that a thing required to be done by or to the Secretary shall be satisfied by its being done by or to one or more of the Joint Secretaries if any for the time being appointed, is also proposed to be inserted.

2.4.37 **Authentication of Documents**

Existing Article 127 empowers the authentication or certification of documents affecting the constitution of the Company by any Director or Secretary or any other person appointed by the Directors for such purpose and Existing Article 128 deals with certification of copies of resolutions or extracts of minutes of meetings. New Articles 161 and 162 are proposed to replace Existing Articles 127 and 128, respectively, to permit any such authentication or certification to be effected by electronic means in accordance with procedures approved by the Directors, in addition to the traditional forms of authentication or certification, so as to provide greater flexibility for the Company.

2.4.38 **Dividends**

Existing Article 129 provides that the Directors may, with the sanction of the Company by ordinary resolution declare dividends but no dividend shall be payable except out of the profits of the Company. It is proposed that Existing Article 129 be replaced with New Article 165 which clarifies that no dividend shall (except as expressly authorised by the Companies Act and/or other applicable law) be payable except out of the profits of the Company and that no higher dividend shall be paid than is recommended by the Directors and a declaration by the Directors as to the amount of the profits at any time available for dividends shall be conclusive.

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Existing Article 130 provides for the payment of dividends to be made in proportion to the amount paid in respect of the shares. In view of the abolition of the concept of par value pursuant to the Companies (Amendment) Act 2005, it is proposed that Existing Article 130 be replaced with New Article 163 which provides that all dividends are to be paid proportionately to the number of shares held by a member, and that where shares are partly paid, all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares.

Existing Article 134, which provides for the deduction from any dividend or other moneys payable to any member, is proposed to be replaced with New Article 169 which clarifies that the Directors may deduct from any dividend or other moneys payable to a member in respect of any share held by such member, either alone or jointly with any other member, any or all sums of money as may be due and payable by him, either alone or jointly with any other person in respect of any debts, liabilities or engagements to the Company on account of calls or otherwise towards satisfaction (in whole or in part) of such debts, liabilities or engagements.

Existing Article 137 provides that the Company may forfeit any dividend or other monies payable if the same has been unclaimed for a period of six years from the date they became first payable and further provides for the annulment of such forfeiture at the absolute discretion of the Directors. It is proposed that Existing Article 137 be replaced with New Article 174 to clarify that where the Depository returns any such unclaimed dividends or monies to the Company, the same applies and a Depositor shall not have any right or claim against the Company in respect of such returned unclaimed dividends or monies.

It is proposed that New Article 167 which deals with scrip dividends be inserted to provide the Company with flexibility to pay dividends by issuing shares in lieu of cash.

2.4.39 ***Capitalisation of Profits and Reserves***

Existing Articles 142 and 143, which relate to the capitalisation of profits and reserves, are proposed to be replaced with New Articles 176 and 177, respectively. New Articles 176 and 177 will permit the issue of bonus shares for which no consideration is payable.

In addition, New Article 178 is proposed to be inserted to provide for the issue of bonus shares for which no consideration is payable and the capitalisation of profits and reserves, in each case, on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share option scheme or plan implemented by the Company and approved by members in general meeting, and on such terms as the Directors shall think fit. New Article 178 will facilitate and provide greater flexibility to the Company for the delivery of shares to participants in respect of vested awards granted pursuant to any share-based incentive plan that may be implemented by the Company.

2.4.40 ***Minutes and Books***

Existing Article 144 deals with the maintenance of minutes of all meetings. New Article 151, which is proposed to replace Existing Article 144, further provides that any minutes of any meeting, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting of the Company or Directors or committee as the case may be, shall be sufficient evidence without further proof of the facts therein stated.

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2.4.41 *Presentation of Accounts*

Existing Article 147 deals with the responsibility of the Directors to keep proper accounts. New Article 179, which replaces Existing Article 147, further sets out in detail the matters required to be recorded in books of account, and provides that such books of account shall give a true and fair view of the state of the Company's affairs and explain its transactions.

Existing Article 148 deals with the inspection of accounts by members. New Article 181, which replaces Existing Article 148, further provides that the Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and/or books of the Company shall be open to the inspection of members.

Existing Article 149 relates to the presentation of accounts. It is proposed that Existing Article 149 be replaced with New Article 182 which provides that the interval between the date of the Company's annual general meeting and the close of the Company's financial year shall not exceed four months or such other period as may be prescribed from time to time by the SGX-ST, the provisions of the Companies Act and/or any applicable law (instead of six months as provided by Existing Article 149). This is to bring New Article 182 in line with the current requirements of the Companies Act and the Listing Manual and to obviate the necessity of amending the Articles should there be further amendments to the Companies Act or the Listing Manual in respect of the time period between the close of a financial year of a company and its annual general meeting.

2.4.42 *Notices*

It is proposed that New Article 190 be inserted to provide that the service of any notice or other document which is required or permitted to be given, sent or served under the Companies Act or under the Articles by the Company, or by the Directors, to a member or an officer or Auditors of the Company, may be given, sent or served using electronic communications in accordance with Sections 387A and 387B of the Companies Act and/or any other applicable regulations or procedures. Consequential drafting changes are proposed to be made to New Article 189 (which replaces Existing Article 155), New Article 194 (which replaces Existing Article 160) and New Article 197 (which replaces Existing Article 159) to provide for the service of notices and documents to be effected by electronic communications in addition to service by way of personal delivery or post.

It is proposed that New Article 193 be inserted to provide for the service of notice, summons, order or other document required to be sent or served upon the Company, or upon any officer of the Company by leaving the same or sending it through registered mail in a prepaid letter addressed to the Company or to such officer at the registered office of the Company.

It is proposed that New Article 196 be inserted to provide that every person who, by operation of law, transfer or any other means, shall become entitled to any share, shall be bound by every notice in respect of such share which, previously to his name and address being entered on the Register of Members, shall be duly given to the person from whom he derives his title to such share.

It is proposed that New Article 199 be inserted to provide that the provisions of New Articles 189, 194, 195 and 198 shall apply to notices of meetings of Directors or any committee of Directors.

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2.4.43 *Winding-Up*

New Article 200 is proposed to be inserted to provide for the distribution of surplus assets in the event that the Company is wound up. In view of the abolition of the concept of par value pursuant to the Companies (Amendment) Act 2005, New Article 200 provides that surplus assets shall be distributed amongst the members in proportion to the number of shares held by each member (but where shares are partly paid, taking into account the proportion of the amounts paid or credited as paid on the partly paid shares) at the commencement of the winding-up.

Existing Article 164 which deals with the distribution of assets in specie in the event of the Company's liquidation is proposed to be replaced with New Articles 201 and 202. New Article 201 provides members with the same right of dissent and consequential rights as if such resolution was a special resolution passed pursuant to Section 306 of the Companies Act. It further provides that all members shall be bound by the distribution of any shares or other consideration receivable by the liquidator amongst the members otherwise than in accordance to their existing rights, pursuant to the passing of a special resolution sanctioning a transfer or sale to another company, subject to their right of dissent and consequential rights.

Existing Article 165 provides that on a voluntary winding-up of the Company, the prior approval of members in general meeting must be obtained for the payment of any commission or fee to the liquidator. As such a provision is no longer required by the Listing Manual to be included in the articles of association of a company, it is proposed that this provision be excluded from the New Articles. Notwithstanding the deletion of this provision from the New Articles, where so required by the Companies Act, the Listing Rules or other applicable laws and regulations, the relevant authorisation or sanction (including members' approval if so necessitated), would have to be sought by the Company in respect of payment of any commission or fee to the liquidator in a members' voluntary liquidation of the Company.

To facilitate the administration of a winding-up of the Company, it is proposed that New Article 203 be inserted to provide that any member who is not for the time being in Singapore is required to serve notice in writing on the Company within fourteen days of the event of winding-up, appointing some person in Singapore for the service of notices, processes, orders and judgments in relation to or under the winding-up of the Company, and in default of such nomination, the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person in his stead.

2.4.44 *Indemnity*

Existing Article 166 provides for the indemnity of every Director, Auditor, Secretary or other officer of the Company. It provides that, subject to the provisions of the Companies Act, 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 or liabilities incurred by him in the execution and discharge of his duties.

Section 172(2)(b) of the Companies Act permits the Company to indemnify any Director, Auditor or other officer of the Company against any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 76A(13) of the Companies Act or Section 391 of the Companies Act in which relief is granted to him by the court. Accordingly, it is proposed that Existing Article 166 be replaced with New Article 204 which is drafted to reflect the provisions of Section 172(2)(b) of the Companies Act.

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2.4.45 *Alteration of Articles*

Existing Article 167 relates to obtaining the prior written approval of the SGX-ST for alterations to the Articles. It is proposed that this provision be deleted as it is no longer required by the Listing Manual to be included in the articles of association of a company. Notwithstanding the deletion of such a provision from the New Articles, it would still be necessary for the Company to obtain the prior approval of the SGX-ST for any alterations to the Articles under Rule 729 of the Listing Manual.

3. THE PROPOSED SHARE PURCHASE MANDATE

3.1 Background

Any purchase or acquisition by the Company of its Shares has to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Manual, and such other laws and regulations as may for the time being be applicable.

The Company proposes to seek Shareholders' approval at the EGM for a general mandate to authorise the Directors to exercise all powers of the Company to purchase or acquire its issued Shares on the terms of the Share Purchase Mandate. If approved by Shareholders at the EGM, the authority conferred by the Share Purchase Mandate will, unless varied or revoked by the Company in general meeting, continue in force until the date on which the next annual general meeting of the Company is held or required by applicable law to be held, whereupon it will lapse, unless renewed at such meeting.

3.2 Rationale for the Proposed Share Purchase Mandate

The proposed Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its issued Shares during the period when the Share Purchase Mandate is in force, if and when circumstances permit. The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements at the time, allow the Directors to better manage the Company's capital structure with a view to enhancing the Company's earnings per Share.

The Directors will decide whether to effect the purchases or acquisitions of the Shares after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors.

3.3 Terms of the Proposed Share Purchase Mandate

The authority and limitations placed on the purchase or acquisition of Shares by the Company under the Share Purchase Mandate are summarised below:

3.3.1 *Maximum Number of Shares*

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

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

3.3.2 *Duration of Authority*

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

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;

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

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

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

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

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

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

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

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

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share purchases;
- (d) the consequences, if any, of share purchases by the listed company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the share purchases, if made, could affect the listing of the listed company's equity securities on the SGX-ST; and

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- (f) details of any share purchases made by the listed company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.

3.3.4 **Maximum Purchase Price**

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

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

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

For the above purposes:

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

“**Closing Market Price**” means the last dealt price for a Share transacted through the SGX-ST’s Quest-ST system as shown in any publication of the SGX-ST or other sources; and

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

3.4 **Status of Purchased or Acquired Shares: Held in Treasury or Cancelled**

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

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

3.4.1 **Treasury Shares**

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

- (a) Maximum Holding: The aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of Shares in issue at that time. In the event that the aggregate number of treasury shares held

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by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess treasury shares within six months from the day the aforesaid limit is first exceeded.

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

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

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

3.4.2 ***Purchased or Acquired Shares Cancelled***

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

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

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

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

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3.5 Source of Funds

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

The Companies Act permits any purchase or acquisition of shares to be made out of a company's capital or profits so long as the company is solvent. For this purpose, a company is "solvent" if:

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

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

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

3.6 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits of the Company, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial accounts of the Company and the Group for the financial year ended 31 December 2007, are based on the assumptions set out below.

3.6.1 **Purchase or Acquisition of Shares made out of Capital or Profits**

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

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

Based on 1,447,782,830 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued and no Shares are held by the Company as treasury shares on or prior to the forthcoming EGM, the purchase or acquisition by the Company of up to the maximum limit of 10% of the total number of its issued Shares will result in the purchase or acquisition by the Company of up to 144,778,283 Shares.

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In the case of Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 144,778,283 Shares at the Maximum Price of S\$0.620 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 144,778,283 Shares is approximately S\$89.8 million.

In the case of Off-Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 144,778,283 Shares at the Maximum Price of S\$0.650 for each Share (being the price equivalent to 10% above the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 144,778,283 Shares is approximately S\$94.1 million.

3.6.3 **Illustrative Financial Effects**

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

Purely for illustrative purposes only, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2007, the assumptions stated above and assuming the purchases or acquisitions of Shares by the Company are funded solely from borrowings, the effects of such purchases or acquisitions of Shares by way of Market Purchases and Off-Market Purchases on the financial positions of the Company and the Group under each of the Scenarios A and B described below are as follows:

(1) **Market Purchases**

As of 31 December 2007 (audited)	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Scenario A	Scenario B		Scenario A	Scenario B
	Rp' billion	Rp' billion	Rp' billion	Rp' billion	Rp' billion	Rp' billion
Profit attributable to equity holders ¹	889	852	852	1	(35)	(35)
Share capital	3,584	3,584	2,974	10,912	10,912	10,302
Reserves ¹	3,571	3,535	3,535	(21)	(57)	(57)
Treasury shares	–	(610)	–	–	(610)	–
Shareholders' funds	7,155	6,509	6,509	10,891	10,245	10,245
NAV ²	7,155	6,509	6,509	10,891	10,245	10,245
Current assets ¹	3,880	3,843	3,843	174	137	137
Current liabilities	5,924	5,924	5,924	30	30	30
Net current assets/(liabilities) ³	(2,044)	(2,081)	(2,081)	144	107	107

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As of 31 December 2007 (audited)	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Scenario A	Scenario B		Scenario A	Scenario B
	Rp' billion	Rp' billion	Rp' billion	Rp' billion	Rp' billion	Rp' billion
Total borrowings	5,343	5,953	5,953	–	610	610
Cash & cash equivalents ¹	1,702	1,665	1,665	92	55	55
Number of Shares (‘000) ⁴	1,447,783	1,303,005	1,303,005	1,447,783	1,303,005	1,303,005
Treasury shares (‘000)	–	144,778	–	–	144,778	–
Financial ratios						
EPS – Rp	614	654	654	0.8	(27)	(27)
NAV per Share – Rp	4,943	4,995	4,995	7,523	7,862	7,862
Gearing ratio ⁵	0.51	0.66	0.66	–	0.05	0.05
Current ratio (times) ⁶	0.7	0.6	0.6	5.8	4.6	4.6

Notes:

- (1) The profit attributable to equity holders, reserves and current assets (including cash and cash equivalents) have been adjusted to take into account interest expense relating to bank borrowings for the purchase of Shares. The interest expense is calculated assuming that the purchase of Shares was completed on 1 January 2007.
- (2) NAV equals shareholders' funds.
- (3) The net current liabilities were driven by 1-year bridging loans facilities obtained for the Lonsum acquisition of (i) US\$ denominated bank loans of US\$180 million (equivalent to Rp1.6 trillion), and (ii) Rupiah denominated bank loans of Rp2.4 trillion. Of the aforesaid bridging loan facilities, US\$160 million of the US\$ denominated loans (equivalent to Rp1.5 trillion) was refinanced into syndicated term loans with a tenure of 5 years in April 2008 and Rp1.0 trillion of the Rupiah denominated loan was refinanced into a 5-year term loan in June 2008.
- (4) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- (5) Gearing ratio equals net debts divided by shareholders' funds.
- (6) Current ratio equals current assets divided by current liabilities.

(a) Scenario A: Market Purchases of 144,778,283 Shares made entirely out of capital and held as treasury shares.

As illustrated under Scenario A in the table above, such purchase of Shares will have the effect of reducing the NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2007 will however increase from Rp4,943 to Rp4,995.

Assuming that the purchase of Shares had taken place on 1 January 2007, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2007 would be increased from Rp614 to Rp654 per Share as a result of the reduction in the number of issued Shares.

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- (b) Scenario B: Market Purchases of 144,778,283 Shares made entirely out of capital and cancelled.

As illustrated under Scenario B in the table above, such purchase of Shares will have the effect of reducing the NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2007 will however increase from Rp4,943 to Rp4,995.

Assuming that the purchase of Shares had taken place on 1 January 2007, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2007 would be increased from Rp614 to Rp654 per Share as a result of the reduction in the number of issued Shares.

(2) Off-Market Purchases

As of 31 December 2007 (audited)	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Scenario A	Scenario B		Scenario A	Scenario B
	Rp' billion	Rp' billion	Rp' billion	Rp' billion	Rp' billion	Rp' billion
Profit attributable to equity holders ¹	889	851	851	1	(37)	(37)
Share capital	3,584	3,584	2,944	10,912	10,912	10,272
Reserves ¹	3,571	3,533	3,533	(21)	(59)	(59)
Treasury shares	–	(640)	–	–	(640)	–
Shareholders' funds	7,155	6,477	6,477	10,891	10,213	10,213
NAV ²	7,155	6,477	6,477	10,891	10,213	10,213
Current assets ¹	3,880	3,842	3,842	174	135	135
Current liabilities	5,924	5,924	5,924	30	30	30
Net current assets/(liabilities) ³	(2,044)	(2,082)	(2,082)	144	105	105
Total borrowings	5,343	5,983	5,983	–	640	640
Cash & cash equivalents ¹	1,702	1,663	1,663	92	53	53
Number of Shares ('000) ⁴	1,447,783	1,303,005	1,303,005	1,447,783	1,303,005	1,303,005
Treasury shares ('000)	–	144,778	–	–	144,778	–
Financial ratios						
EPS – Rp	614	653	653	0.8	(29)	(29)
NAV per Share – Rp	4,943	4,971	4,971	7,523	7,838	7,838
Gearing ratio ⁵	0.51	0.67	0.67	–	0.06	0.06
Current ratio (times) ⁶	0.7	0.6	0.6	5.8	4.5	4.5

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Notes:

- (1) The profit attributable to equity holders, reserves and current assets (including cash and cash equivalents) have been adjusted to take into account interest expense relating to bank borrowings for the purchase of Shares. The interest expense is calculated assuming that the purchase of Shares was completed on 1 January 2007.
- (2) NAV equals shareholders' funds.
- (3) The net current liabilities were driven by 1-year bridging loans facilities obtained for the Lonsum acquisition of (i) US\$ denominated bank loans of US\$180 million (equivalent to Rp1.6 trillion), and (ii) Rupiah denominated bank loans of Rp2.4 trillion. Of the aforesaid bridging loan facilities, US\$160 million of the US\$ denominated loans (equivalent to Rp1.5 trillion) was refinanced into syndicated term loans with a tenure of 5 years in April 2008 and Rp1.0 trillion of the Rupiah denominated loan was refinanced into a 5-year term loan in June 2008.
- (4) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- (5) Gearing ratio equals net debts divided by shareholders' funds.
- (6) Current ratio equals current assets divided by current liabilities.

(a) Scenario A: Off-Market Purchases of 144,778,283 Shares made entirely out of capital and held as treasury shares.

As illustrated under Scenario A in the table above, such purchase of Shares will have the effect of reducing the NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2007 will however increase from Rp4,943 to Rp4,971.

Assuming that the purchase of Shares had taken place on 1 January 2007, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2007 would be increased from Rp614 to Rp653 per Share as a result of the reduction in the number of issued Shares.

(b) Scenario B: Off-Market Purchases of 144,778,283 Shares made entirely out of capital and cancelled.

As illustrated under Scenario B in the table above, such purchase of Shares will have the effect of reducing the NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2007 will however increase from Rp4,943 to Rp4,971.

Assuming that the purchase of Shares had taken place on 1 January 2007, the consolidated basic earnings per Share of the Group for the financial year ended 31 December 2007 would be increased from Rp614 to Rp653 per Share as a result of the reduction in the number of issued Shares.

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

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

3.7 Taxation

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

3.8 Listing Manual

3.8.1 *No purchases during price sensitive developments*

Whilst 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 consideration and/or decision of the Board of Directors of the Company for the time being until the price sensitive information has been publicly announced. In particular, in-line with the best practices guides on securities dealings issued by the SGX-ST, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of one month immediately preceding the announcement of the Company's annual results or during the period of two weeks immediately preceding the announcement of the Company's financial statements for each of the first three quarters of its financial year (as the case may be).

3.8.2 *Listing status of the Shares*

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

As at the Latest Practicable Date, there are approximately 265,206,212 Shares, representing approximately 18.32% of the total number of issued Shares, held by the public. The Company recognizes that the purchases of the maximum of 10% of its total number of issued Shares (based on its current list of public shareholders) from public Shareholders would result in the percentage of the Company's public float being reduced to approximately 9.24% of the total number of Shares in issue. Accordingly, on the basis of 1,447,782,830 Shares (excluding treasury shares) as at the Latest Practicable Date, the Company will not purchase more than 133,808,810 Shares (representing approximately 9.24% of the total number of issued Shares as at the Latest Practicable Date) in order to maintain a sufficient public float. Assuming that the Company purchases 133,808,810 Shares, the percentage of the Company's public float would be reduced to approximately 10.00%.

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In undertaking any Share purchases, the Board will use its best efforts to ensure that, notwithstanding such Share purchases, a sufficient number of Shares in issue is held by public shareholders so that the Share purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect orderly trading of the Shares.

3.8.3 **Reporting Requirements**

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 must include 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, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares.

3.8.4 **Previous Share Purchases**

The Company has not purchased any Shares during the 12-month period preceding the Latest Practicable Date.

3.9 **Certain Take-over Code implications arising from the Proposed Share Purchase Mandate**

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

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

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

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

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company increase to 30% or more; or

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

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

Any Shares held by the Company as treasury shares shall be excluded from the calculation of the percentages of voting rights under the Take-over Code referred to above.

3.9.1 *Shareholding Interests of Directors*

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

Name of Director	Number of Shares Held			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
Mr Lee Kwong Foo Edward	–	–	–	–	–
Mr Benny Setiawan Santoso	–	–	–	–	–
Mr Mark Julian Wakeford ⁽¹⁾ ("Mr Wakeford")	300,000	200,000	500,000	0.03	0.04
Mr Moleonoto Tjang	–	–	–	–	–
Mr Gunadi	–	–	–	–	–
Mr Suaimi Suriady	–	–	–	–	–
Mr Tjhie Tje Fie	–	–	–	–	–
Mr Axton Salim	–	–	–	–	–
Mr Lim Hock San	–	–	–	–	–
Mr Goh Kian Chee	–	–	–	–	–
Mr Hendra Susanto	–	–	–	–	–

Note:

- (1) Mr Wakeford is deemed to be interested in the 200,000 Shares held by his wife, Ms Tee Foong Sin.

3.9.2 *Shareholding Interests of Substantial Shareholders*

Based on information in the Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the Substantial Shareholders in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, on the basis that (i) the Company purchases or acquires the maximum of 10% of the total number of issued Shares as at the Latest Practicable Date, (ii) there is no change in the number of Shares in which the Substantial Shareholders

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have an interest as at the Latest Practicable Date, (iii) there are no further issue of Shares and (iv) no Shares are held by the Company as treasury shares on or prior to the forthcoming EGM, will be as follows:

Name of Substantial Shareholder	Number of Shares Held			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
ISHPL	998,200,000	–	998,200,000	68.95	76.61
PT ISM ⁽¹⁾	–	998,200,000	998,200,000	68.95	76.61
Lapu-Lapu Holdings Limited (“Lapu-Lapu”) ⁽²⁾	–	998,200,000	998,200,000	68.95	76.61
CAB Holdings Limited (“CAB”) ⁽²⁾	–	998,200,000	998,200,000	68.95	76.61
First Pacific Company Limited (“First Pacific”) ⁽³⁾	–	998,200,000	998,200,000	68.95	76.61
FPIL ⁽⁴⁾	1,125,344	998,200,000	999,325,344	69.02	76.69
FPIL BVI ⁽⁴⁾	882,444	998,200,000	999,082,444	69.01	76.68
Salerni International Limited (“Salerni”) ⁽⁵⁾	–	1,000,207,788	1,000,207,788	69.09	76.76
Anthoni Salim ⁽⁶⁾	–	1,000,207,788	1,000,207,788	69.09	76.76
Eddy Kusnadi Sariaatmadja (“ES”) ⁽⁷⁾	–	98,082,830	98,082,830	6.77	7.53
Newton Investment Management Ltd	83,786,000	–	83,786,000	5.79	6.43
The Bank of New York Mellon Corporation ⁽⁸⁾	–	83,786,000	83,786,000	5.79	6.43

Notes:

- (1) PT ISM is a holding company of ISHPL with an interest of approximately 83.84% of the total number of issued shares in ISHPL. Accordingly, PT ISM is deemed to be interested in the Shares held by ISHPL.
- (2) Lapu-Lapu, together with its associate, CAB, collectively own not less than 20% of the issued share capital of PT ISM. Accordingly, Lapu-Lapu and CAB are deemed to be interested in the Shares held by ISHPL.
- (3) First Pacific owns 100% of the issued share capital of CAB and Lapu-Lapu respectively. Accordingly, First Pacific is deemed to be interested in the Shares held by ISHPL.
- (4) FPIL, together with FPIL BVI, collectively own not less than 20% of the issued share capital of First Pacific. Accordingly, FPIL and FPIL BVI are deemed to be interested in the Shares held by ISHPL.
- (5) Salerni owns more than 50% of the issued share capital of FPIL BVI. Accordingly, Salerni is deemed to be interested in the Shares held by ISHPL, FPIL and FPIL BVI.
- (6) Mr Anthoni Salim owns 100% of the issued share capital of Salerni. Accordingly, Mr Anthoni Salim is deemed interested in the Shares held by ISHPL, FPIL and FPIL BVI.
- (7) ES is deemed interested in the Shares held by Palm Capital Pte. Ltd..
- (8) The Bank of New York Mellon Corporation is deemed to be interested in the Shares held by Newton Investment Management Ltd.

LETTER TO SHAREHOLDERS

3.9.3 *Consequences of Share purchases or acquisitions by the Company*

Based on the Register of Substantial Shareholders of the Company, since the total direct and deemed interests of Mr Anthoni Salim is more than 50% of the total number of issued Shares of the Company as at the Latest Practicable Date, he would not become obliged to make a mandatory take-over offer for the Company under the Take-over Code in the event that the Company purchases or acquires the maximum 144,778,283 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date) pursuant to the Share Purchase Mandate. The Directors are not aware of any other Substantial Shareholder or Director who would 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 10% of its total number of issued Shares as at the Latest Practicable Date.

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

4. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is set out in this Circular, will be held at the Merchant Court Ballroom, Section A, Swissôtel Merchant Court Singapore, 20 Merchant Road, Singapore 058281 on 11 November 2008 at 2.30 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

If you are a Depositor, you shall not be entitled to attend and vote at the EGM unless you are shown to have Shares entered against your name in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

5. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon and as soon as possible and, in any event, so as to arrive at the registered office of the Company at 80 Raffles Place, #22-23 UOB Plaza 2, Singapore 048624 not less than 48 hours before the time appointed for holding the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he subsequently so wishes to do so, in place of his proxy.

CPF investors may wish to check with their CPF Approved Nominees on the procedure and deadline for the submission of their written instructions to their CPF Approved Nominees to vote on their behalf.

6. DIRECTORS' RECOMMENDATIONS

6.1 The Proposed Adoption of new Memorandum and Articles

The Directors are of the opinion that the proposed adoption of new Memorandum and Articles is in the interests of the Company and, accordingly, recommend that Shareholders **vote in favour** of Special Resolution 1 in respect of the proposed adoption of the New Memorandum and Special Resolution 2 in respect of the proposed adoption of the New Articles to be proposed at the EGM.

LETTER TO SHAREHOLDERS

6.2 The Proposed Share Purchase Mandate

The Directors are of the opinion that the proposed Share Purchase Mandate is in the interests of the Company and, accordingly, recommend that Shareholders **vote in favour** of Ordinary Resolution 3 in respect of the Share Purchase Mandate to be proposed at the EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 80 Raffles Place, #22-23 UOB Plaza 2, Singapore 048624 during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Existing Memorandum and the Existing Articles;
- (b) the New Memorandum and the New Articles; and
- (c) the annual report of the Company for the financial year ended 31 December 2007.

Yours faithfully,
For and on behalf of the Board

Mark Julian Wakeford
Chief Executive Officer and Executive Director
Indofood Agri Resources Ltd.

APPENDIX A – THE PROPOSED NEW MEMORANDUM OF ASSOCIATION

**THE COMPANIES ACT, CHAPTER 50
PUBLIC COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION**

OF

INDOFOOD AGRI RESOURCES LTD.

(Adopted by special resolution passed on 11 November 2008)

1. The name of the Company is INDOFOOD AGRI RESOURCES LTD.
2. The registered office of the Company will be situated in the Republic of Singapore.
3. Subject to the provisions of the Companies Act, Chapter 50 and any other written law and the Memorandum and Articles of Association of the Company, 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.
4. The liability of the members is limited.

APPENDIX A – THE PROPOSED NEW MEMORANDUM OF ASSOCIATION

We, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber	Witness to Signatures
GARY STEWART ALLIN 20 Watten Terrace Singapore 287243 Director	One (1)	PO'AD BIN SHAIK ABU BAKAR MATTAR Approved Company Auditor 95 South Bridge Road #09-00 Pidemco Centre Singapore 058717

Dated this 3rd day of October 2001

YEUNH OI SIONG 21 Jalan Menerung 2 Taman SA 59000 Kuala Lumpur Malaysia Company Director	One (1)	LEONG TUCK ONN Notary Public 102 Jalan Bangsar 59200 Kuala Lumpur Malaysia
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Dated this 25th day of September 2001

Total number of shares taken	Two (2)
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APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

THE COMPANIES ACT, CHAPTER 50 PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

INDOFOOD AGRI RESOURCES LTD.

(Adopted by special resolution passed on 11 November 2008)

TABLE 'A'

- 1) The regulations in Table 'A' in the Fourth Schedule to the Act shall not apply to the Company, but the following shall, subject to repeal, addition and alteration as provided by the Act or these Articles, be the regulations of the Company. Table 'A' not to apply

INTERPRETATION

- 2) In these Articles, the words standing in the first column of the table below shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context: Interpretation

WORDS

MEANINGS

'Account Holder'	A person who has a securities account directly with the Depository and not through a Depository Agent.
'Act'	The Companies Act, Cap. 50, or any modification, amendment or re-enactment thereof for the time being in force and any reference to any provision of the Act is to that provision as so modified or re-enacted or contained in any such subsequent Act.
'Alternate Director'	An Alternate Director appointed pursuant to Article 135.
'Auditors'	The auditors for the time being of the Company.
'book-entry securities'	The documents evidencing title to listed securities which are deposited by a Depositor with the Depository and are registered in the name of the Depository or its nominee, and which are transferable by way of book-entry in the Depository Register and not by way of an instrument of transfer.
'Company'	Indofood Agri Resources Ltd. by whatever name from time to time called.
'Depositor'	An Account Holder or a Depository Agent but does not include a Sub-Account Holder.

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

'Depository'	The Central Depository (Pte) Limited established by the Exchange, or any other corporation approved by the Minister as a depository company or corporation for the purposes of the Act, which as a bare trustee operates the Central Depository System for the holding and transfer of book-entry securities.
'Depository Agent'	<p>A member company of the Exchange, a trust company (registered under the Trust Companies Act, Cap. 336), a banking corporation or merchant bank (approved by the Monetary Authority of Singapore under the Monetary Authority of Singapore Act, Cap. 186), or any other person or body approved by the Depository who or which:</p> <ul style="list-style-type: none">a) performs services as a depository agent for Sub-Account Holders in accordance with the terms of a depository agent agreement entered into between the Depository and the Depository Agent;b) deposits book-entry securities with the Depository on behalf of the Sub-Account Holders; andc) establishes an account in its name with the Depository.
'Depository Register'	A register maintained by the Depository in respect of book-entry securities.
'Director'	Includes any person acting as a director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
'Directors' or 'Board'	The Directors for the time being of the Company as a body or a quorum of the Directors present at a meeting of the Directors.
'dividend'	Includes bonus dividend.
'electronic communication'	<p>Communication transmitted (whether from one person to another, from one device to another, from a person to a device or from a device to a person):</p> <ul style="list-style-type: none">a) by means of a telecommunication system; orb) by other means but while in an electronic form,

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

	such that it can (where particular conditions are met) be received in legible form or be made legible following receipt in non-legible form.
'Exchange' or 'SGX-ST'	The Singapore Exchange Securities Trading Limited and, where applicable, its successors in title.
'Market Day'	Any day between Mondays and Fridays which is not an Exchange market holiday or public holiday.
'Member', 'holder of any share' or 'shareholder'	Any registered holder of shares for the time being or if the registered shareholder is the Depository, a Depositor named in the Depository Register (for such period as shares are entered in the Depositor's Securities Account), save that references in these Articles to 'Member', 'holder of any share' or 'shareholder' shall, where the Act requires, exclude the Company where it is a 'Member', 'holder of any share' or 'shareholder' by reason of its holding of its shares as treasury shares.
'month'	Calendar month.
'Office'	The Registered Office for the time being of the Company.
'Paid up'	Includes credited as paid up.
'Register of Members'	The Register of Members of the Company.
'Seal'	The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.
'Secretary'	The secretary or secretaries for the time being of the Company and shall include any person entitled to perform the duties of secretary temporarily.
'Securities Account'	The securities account maintained by a Depositor with a Depository.
'shares'	Shares in the capital of the Company.
'Singapore'	The Republic of Singapore.
'Statutes'	The Act and every other legislation for the time being in force concerning companies and/or affecting the Company.
'Sub-Account Holder'	A holder of an account maintained with a Depository Agent.

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

REGISTERED OFFICE

- 5) The Office shall be at such place in Singapore as the Directors shall from time to time determine. Place of Office

SHARES

- 6) Subject to the Act, no shares may be issued by the Directors without the prior approval of the Company in general meeting but subject thereto and to Article 67, and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or make or grant offers or agreements for the issue of shares or options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and at such time and subject or not to any consideration being given, including the payment of any part of the amount thereof in cash as the Directors may think fit. Any such shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit. 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. Issue of shares

Provided Always That:

- a) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same; and
- b) preference shares may be issued subject to such limitation thereof as may be prescribed by the listing rules of any stock exchange upon which shares in the Company may be listed.
- 7) Notwithstanding anything in these Articles, a treasury share shall be subject to such rights and restrictions as may be prescribed in the Act and may be dealt with by the Company in such manner as may be permitted by, and in accordance with, the Act. For the avoidance of doubt, save as expressly permitted by the Act, the Company shall not be entitled to any rights of a Member under these Articles. Treasury shares
- 8) Without prejudice to any special rights or privileges attached to any then existing shares, any new shares may be issued upon such terms and conditions, and with such rights and privileges attached thereto, as the Company by ordinary resolution may direct, or, if no such direction be given, as the Directors shall determine, and in particular such shares may be issued with preferential, qualified or deferred right to dividends and in the distribution of assets of the Company, and with a special or restricted right of voting, and any preference share may be issued on the terms that it is, or at the option of the Company is, to be liable to be redeemed. The rights attached to any such shares issued upon special conditions shall be clearly defined in these Articles. Creation of special rights
- 9) (1) Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the resolution to be submitted to the meeting varies their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrears. Rights attached to preference shares
- (2) The Company has the power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued. Issue of further preference shares

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 10) If at any time the share capital is divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated either with the consent in writing of the holders of three-quarters (3/4) of the total number of issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class (but not otherwise) and to every such special resolution the provisions of Section 184 of the Act shall with such adaptations as are necessary apply. To every such separate general meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
- Variation of rights of shares
- Provided Always That:
- a) the necessary quorum shall be two (2) persons at least holding or representing by proxy or by attorney one-third (1/3) of the total number of issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll, but where the necessary majority for such a special resolution is not obtained at the general meeting, consent in writing if obtained from the holders of three-fourths (3/4) of the total number of issued shares of the class concerned within two (2) months of the general meeting shall be as valid and effectual as a special resolution carried at the general meeting; and
- b) where all the issued shares of the class are held by one (1) person, the necessary quorum shall be one (1) person and such holder of shares of the class present in person or by proxy or by attorney may demand a poll.
- 11) The repayment of preference capital other than redeemable preference capital or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned Provided Always That where the necessary majority for such a special resolution is not obtained at a meeting, consent in writing if obtained from the holders of three-fourths (3/4) of the total number of preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.
- Variation of rights of preference shareholders
- 12) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by these Articles, be deemed to be varied by the creation or issue of further shares ranking equally therewith.
- Issue of further shares affecting special rights
- 13) If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same.
- Payment of instalments
- 14) The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment in cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may, in addition to, or in lieu of, such commission, in consideration of any person so subscribing or agreeing to subscribe, or of his
- Payment of commission

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

procuring or agreeing to procure subscriptions, for any shares in the Company, confer on any such person an option call within a specified time for a specified number of shares in the Company at a specified price or on such other terms and conditions as the Directors may deem fit.

- 15) Except as permitted or provided by the Act, the listing rules of the Exchange, or these Articles, no part of the funds of the Company shall, directly or indirectly, be employed in the acquisition of or lending of money on the security of any shares or units of shares in the Company or its holding company, if any. Except as permitted or provided by the Act, the listing rules of the Exchange, or these Articles, the Company shall not, directly or indirectly, give any financial assistance for the purpose of or in connection with the acquisition of any shares or units of shares in the Company or its holding company, if any. Prohibition against financial assistance
- 16) Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period (except treasury shares), and, subject to the conditions and restrictions mentioned in Section 78 of the Act, may charge the same to capital as part of the cost of the construction of the works or building or the provision of the plant. Power to charge interest on capital
- 17) Except as required by law, no person other than the Depository shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share, or as the sole or a joint holder of the entirety of such share. Nothing contained in this Article relating to the Depository or the Depositors or in any depository agreement made by the Company with any common depository for shares or in any notification of substantial shareholding to the Company or in response to a notice pursuant to Section 92 of the Act or any note made by the Company of any particulars in such notification or response shall derogate or limit or restrict or qualify these provisions; and any proxy or instructions on any matter whatsoever given by the Depository or Depositors to the Company or the Directors shall not constitute any notification of trust and the acceptance of such proxies and the acceptance of or compliance with such instructions by the Company or the Directors shall not constitute the taking of any notice of trust. Company need not recognise trust

SHARE CERTIFICATE

- 18) Shares must be allotted and certificates despatched within ten (10) Market Days of the final closing date for an issue of shares unless the Exchange shall agree to an extension of time in respect of that particular issue. The Depository must despatch statements to successful investor applicants confirming the number of shares held under their Securities Accounts. Persons entered in the Register of Members as registered holders of shares shall be entitled to certificates within ten (10) Market Days after lodgement of any transfer. Every Member shall be entitled to receive share certificates in reasonable denominations for his holding Entitlement to share certificate

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

and where a charge is made for certificates, such charge shall not exceed S\$2/- (or such other sum as may be approved by the Exchange from time to time). Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the registered shareholder shall pay a fee not exceeding S\$2/- (or such other sum as may be approved by the Exchange from time to time) for each such new certificate as the Directors may determine. Where the Member is a Depositor, the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery, discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.

- 19) The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six (6) years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with these Articles *mutatis mutandis*. Retention of certificate
- 20) The certificate of title to shares shall be issued under the Seal in such form as prescribed by the Directors from time to time. Every certificate shall bear the autographic or facsimile signatures of at least two (2) Directors, or by one (1) Director and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall specify the number and class of shares to which it relates and the amount paid on the shares, the amount (if any) unpaid on the shares and the extent to which the shares are paid-up. The facsimile signatures may be reproduced by mechanical, electronic or other means provided the method or system of reproducing signatures has first been approved by the Directors. No certificate shall be issued representing more than one class of shares. Form of share certificate
- 21) (1) Subject to the provisions of the Act, if any share certificate shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed or replaced on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member company of the Exchange or on behalf of its/their client(s) as the Directors shall require, and in the case of defacement or wearing out, on delivery of the old certificate and in any case on payment of such sum not exceeding S\$2/- (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require. In the case of destruction, loss or theft, the Member or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction, loss or theft. Issue of replacement certificates
- (2) When any shares under the powers in these Articles herein contained are transferred and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up. New certificate in place of one not surrendered

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

JOINT HOLDERS OF SHARES

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| 22) | Where two (2) 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 deemed holding as joint tenants |
| a) | The Company shall not be bound to register more than three (3) persons as the joint holders of any share, except in the case of executors, trustees or administrators of the estate of a deceased Member. | Limited to 3 joint holders |
| 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. | Jointly and severally liable |
| 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. | Survivorship |
| d) | Any one of such joint holders may give effectual receipts for any dividend payable to such joint holders. | Receipts |
| e) | Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. Only the person whose name stands first in the Depository Register shall be entitled to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. | Entitlement to delivery of share certificates and notice |

TRANSFER OF SHARES

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| 23) | Subject to the restrictions of these Articles, any Member may transfer all or any of his shares, but every instrument of transfer must be in writing and in the usual common form, or in any other form which the Directors and the Exchange may approve, and must be left at the Office for registration, accompanied by the certificate of the shares to be transferred, and such other evidence (if any) as the Directors may require to prove the title of the intending transferor, or his right to transfer the shares. | Form of transfer |
| 24) | Shares of different classes shall not be comprised in the same instrument of transfer. | Different classes of shares |
| 25) | The instrument of transfer of a share shall be signed both by the transferor and the transferee and if required by the Directors shall be witnessed, Provided That an instrument of transfer in respect of which the transferee is the Depository or its nominee shall not be ineffective by reason of it not being signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof; Provided Always That the Directors may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do. | Transferor and transferee to execute transfer |
| 26) | All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same. | Retention of transfer |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 27) No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind but nothing herein contained shall be construed as imposing on the Company any liability in respect of the registration of such transfer if the Company has no actual knowledge of the same. Person under disability
- 28) Subject to any legal requirements to the contrary, the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall be conclusively presumed in the favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other documents so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company Provided Always That: Destruction of transfer
- a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any circumstances which would not attach to the Company in the absence of this Article; and
 - c) references herein to the destruction of any document include references to the disposal thereof in any manner.
- 29) (1) Subject to these Articles, the Act or as required by the Exchange, there shall be no restriction on the transfer of fully paid up shares (except where required by law or the rules, bye-laws or listing rules of the Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. Directors' power to decline to register
- (2) The Directors may decline to recognise any instrument of transfer of shares unless:
- a) a fee not exceeding S\$2/- (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares may be listed) as the Director may from time to time require, is paid to the Company in respect thereof; Payment of fee and deposit of transfer
 - b) the amount of proper duty (if any) with which each instrument of transfer of shares is chargeable under any law for the time being in force relating to stamps is paid;
 - c) the instrument of transfer is deposited at the Office or such other place as the Directors may appoint and is accompanied by a certificate of payment of stamp duty (if any), the certificate of the shares to which the transfer relates and such other evidence as the Directors may reasonably require

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

to show the right of the transferor to make the transfer, and where the instrument is executed by some other person on his behalf, the authority of the person so to do; and

d) the instrument of transfer is in respect of only one class of shares.

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| 30) | If the Directors refuse to register a transfer of any shares, they shall within ten (10) Market Days after the date on which the transfer was lodged with the Company (or such period of time as may be prescribed by the rules, bye-laws or listing rules of the Exchange), send to the transferor and to the transferee a written notice of the refusal stating the facts which are considered to justify the refusal as required by the Statutes. | Notice of refusal to register |
| 31) | The Register of Members may be closed at such times and for such period as the Directors may from time to time determine; Provided Always That it shall not be closed for more than thirty (30) days in any year or such other period as may be prescribed by law and during such periods the Directors may suspend the registration of transfers. Further Provided Always That the Company shall give prior notice of such closure as may be required to the Exchange (as may be required by the listing rules of the Exchange) stating the period and purpose or purposes for which the closure is made. | Closure of Register of Members |
| 32) | Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person. | Renunciation of allotment |
| 33) | Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by relevant parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. In every such case, the person registered as transferee, his executors, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto. | Indemnity against wrongful transfer |

TRANSMISSION OF SHARES

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| 34) | In the case of the death of a Member, the survivors or survivor where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased shareholder from any liability in respect of any share solely or jointly held by him. | Transmission on death |
| 35) | In the case of the death of a Depositor, the survivor or survivors, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder and where such legal representatives are entered in the Depository Register in respect of any shares of the deceased, shall be the only persons recognised by the Company as having any title to his interests in the share; but nothing herein contained shall release the estate of a deceased Depositor (whether sole or joint) from any liability in respect of any share held by him. | Transmission on death of Depositor |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 36) (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member or by virtue of a vesting order by a court of competent jurisdiction and recognised by the Company as having any title to that share may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving to the Company notice in writing or transfer such share to some other person. If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer was a transfer executed by the person from whom the title by transmission is derived.
- Person becoming entitled on death or bankruptcy of Member may be registered
- (2) The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members, or (as the case may be) entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within sixty (60) days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- Notice to register to unregistered executors and trustees
- 37) A person entitled to a share by transmission shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall have no right to receive notice of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a Member in respect of the share, unless and until he shall be registered as the holder thereof.
- Rights of unregistered executors and trustees
- 38) There shall be paid to the Company in respect of the registration of any probate, letter of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding S\$2/-, or such other sum as may be approved by the Exchange from time to time, as the Directors may from time to time require or prescribe.
- Fees for registration of probate etc.

CALLS ON SHARES

- 39) The Directors may from time to time, as they think fit, make calls upon the Members in respect of any moneys unpaid on their shares or on any class of their shares and not by the conditions of the issue and allotment thereof made payable at fixed times; and each Member shall (subject to his having been given at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be made payable by instalments. A call may be revoked or postponed as the Directors may determine.
- Directors may make calls on shares
- 40) A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- Time when new call made

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

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| 41) | If before or on the day appointed for payment thereof, a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at such rate not exceeding ten per cent (10%) per annum as the Directors may determine from the day appointed for payment thereof to the time of actual payment, and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of such call or instalment, but the Directors shall be at liberty to waive payment of such interest, costs, charges and expenses wholly or in part. | Interest and other late payment costs |
| 42) | Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date and any instalment of a call shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment and, in the case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like and all other relevant provisions of the Statutes or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided. | Sum due on allotment or other fixed date |
| 43) | The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the time of payment of such calls. | Power of Directors to differentiate |
| 44) | The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding without the sanction of the Company in general meeting eight per cent (8%) per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide. | Payment in advance of calls |

FORFEITURE OF SHARES

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| 45) | If a Member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued by reason of such non-payment. | Notice requiring payment of unpaid calls |
| 46) | The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made. It shall also name the place where payment is to be made and shall state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited. | Notice to state time and place of payment |
| 47) | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. | Forfeiture of shares for non-compliance with notice |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

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| 48) | A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared. | Forfeiture to include all dividends |
| 49) | The Directors may accept a surrender of any share liable to be forfeited hereunder. | Directors may accept surrender in lieu |
| 50) | The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past Members. | Extinction of forfeited share |
| 51) | Notwithstanding any such forfeiture, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit. | Directors may allow forfeited share to be redeemed |
| 52) | A forfeited or surrendered share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, on such terms and in such manner as the Directors think fit and at any time before a sale, re-allotment or other disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, re-allotment or other disposition, the Directors are empowered to or may authorise some other person to transfer the shares to the purchaser. | Sale of forfeited shares |
| 53) | The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. | Company may receive consideration of sale |
| 54) | If any shares are forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, trustees, administrators or assignees or as he directs. | Application of residue of proceeds of forfeiture |
| 55) | A person whose shares have been forfeited or surrendered shall cease to be a Member in respect of the forfeited shares or surrendered shares, but shall, notwithstanding such forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at the rate of ten per cent (10%) per annum (or such lower rate as the Directors may approve) from the date of the forfeiture or surrender until payment in respect of the shares; but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. The Directors may waive payment of such interest either wholly or in part. | Liabilities of Members whose shares forfeited |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 56) Notice of any forfeiture shall forthwith be given to the holder of the share forfeited or to the person entitled by transmission to the share forfeited as the case may be. An entry of the forfeiture with the date thereof and the fact of the notice given shall be made in the Register of Members or in the Depository Register (as the case may be) opposite the share. The provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission to give such notice or to make such entry as aforesaid.
- Notice of forfeiture

LIEN ON SHARES

- 57) The Company shall have a first and paramount lien and charge on all the shares not fully paid up registered in the name of a Member (whether solely or jointly with others) and all 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.
- Company's lien
- 58) For the purpose of enforcing such lien, the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made unless some sum in respect of which the lien exists is presently payable and until a notice in writing stating the amount due and demanding payment and giving notice of intention to sell in default, shall have been served in such a manner as the Directors shall think fit on such Member or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for fourteen (14) days after such notice.
- Sale of shares subject to lien
- 59) The net proceeds of any such sale shall be applied in or towards satisfaction of the unpaid calls and accrued interest and expenses from the Member for the shares to the Company and the residue (if any) shall be paid to the person whose shares have been forfeited or his executors, administrators or assignees or as he directs; Provided Always That the Company shall be entitled to a lien upon such residue in respect of any money due to the Company but not presently payable like that which it had upon the shares immediately before the sale thereof.
- Application of proceeds of sale
- 60) To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser and the Directors may enter the purchaser's name in the Register of Members as holder of the shares and the purchaser shall not be bound to see to the regularity or validity of or be affected by any irregularity or invalidity in the proceedings or be bound to see to the application of the purchase money. After his name has been entered in the Register of Members the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- Transfer and title to shares sold
- 61) A statutory declaration in writing by a Director that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate under seal for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the
- Statutory declaration that share duly forfeited

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

share and the person to whom the share is sold, re-allotted or disposed of shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the forfeiture, surrender, sale, re-allotment or disposal of the share.

CONVERSION OF SHARES INTO STOCK

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| 62) | The Company may, from time to time, by ordinary resolution of a general meeting convert any or all paid up shares into stock and may from time to time, in like manner, reconvert such stock into paid up shares. | Conversion from share to stock and back to share |
| 63) | When any shares have been converted into stock, the holders of such stock may transfer their respective interests therein or any part of such interests in such manner as the Company in general meeting shall direct, but in default of any such direction then in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances will admit. But the Directors may if they think fit from time to time fix the minimum number of stock units transferable. | Transfer of stock |
| 64) | The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by the number of stock units which would not, if existing in shares have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted. | Rights of stock-holders |
| 65) | All such provisions of these Articles as are applicable to paid up shares shall apply to stock and in all such provisions the words 'share' and 'shareholder' shall include 'stock' and 'stockholder'. | Interpretation |

INCREASE OF CAPITAL

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| 66) | Subject to Article 8, any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine, and in particular, such new shares may be issued with a preferential or qualified right to dividends and in the distribution of the assets of the Company and with a special or restricted right of voting. | On what conditions new shares may be issued |
| 67) | (1) The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares as the resolution may prescribe. | Power to increase capital |
| | (2) Subject to any direction to the contrary that may be given by the Company in general meeting including by way of general authority or except as permitted under the listing rules of the Exchange as may for the time being be in force, all new shares shall before issue be offered to such Members as are entitled to receive notices from the Company of general meetings as at such date as the Directors may determine, in proportion, to the extent the Directors consider practicable, to the number of the existing shares to which they are entitled or hold. 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 | Issue of new shares |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

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 fit. 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.

For the purposes of the above, the Company may by ordinary resolution in general meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the resolution, to issue shares whether by way of rights, bonus or otherwise and/or make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other Instruments convertible into shares.

68) Notwithstanding Article 67 above or any other Articles but subject to the Act, the Directors shall not be required to offer any new shares to Members to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document, but to sell the entitlements to the new shares on behalf of such Members in such manner as they think fit.

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

Capital raised
deemed original
capital

ALTERATIONS OF CAPITAL

- 70) (1) The Company may by ordinary resolution:
- a) consolidate and divide all or any of its shares; or
 - b) subdivide its shares or any of them (subject nevertheless to the provisions of the Act) provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; or
 - c) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares; or
 - d) cancel the number of shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person or which have been forfeited and diminish the amount of its capital by the number of the shares so cancelled.

Power to
consolidate,
cancel and
sub-divide
shares

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

(2) Subject to and in accordance with the provisions of the Act, the listing rules of the Exchange and any applicable legislation or regulation, the Company may in general meeting authorise the Directors to purchase or otherwise acquire any shares including preference shares, stocks, options, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit. If required by the Act, all shares purchased or otherwise acquired by the Company shall, unless held in treasury in accordance with the provisions of the Act, be deemed to be cancelled immediately on purchase or acquisition. On cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may deal with any such share which is so purchased or acquired by the Company in such manner as may be permitted by, and in accordance with, the Act (including without limitation, to hold such share as a treasury share).

Power to purchase or acquire shares and other securities

- 71) The Company may reduce its share capital or any undistributable reserve in any manner, subject to any requirements and consents required by law. Without prejudice to the foregoing, upon cancellation of any shares purchased or otherwise acquired by the Company pursuant to these Articles and the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where any such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.

Reduction of share capital

GENERAL MEETINGS

- 72) The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. Not more than fifteen (15) months shall elapse between the date of one annual general meeting and that of the next and the date of the Company's annual general meeting shall not exceed four (4) months (or such other period as may be prescribed from time to time by the Exchange, the provisions of the Act and/or any applicable law) from the close of the Company's financial year. The annual general meeting shall be held at such time and place as the Directors shall appoint.

Annual general meetings

- 73) All general meetings other than annual general meetings shall be called extraordinary general meetings.

Extraordinary general meetings

- 74) The Directors may whenever they think fit convene an extraordinary general meeting and an extraordinary general meeting shall also be convened on such requisition or in default may be convened by such requisitionist as provided for by Section 176 of the Act. If at any time there are not within Singapore sufficient Directors capable of action to form a quorum at a meeting of Directors, any Director may convene an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be convened by the Directors.

Calling for extraordinary general meetings

- 75) The time and place of any meeting shall be determined by the convenors of the meeting.

Time and place of meeting

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

NOTICE OF GENERAL MEETINGS

- 76) Any general meeting at which it is proposed to pass special resolutions or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least twenty-one (21) clear days' notice in writing and an annual general meeting or any other general meeting by at least fourteen (14) clear days' notice in writing. The notice must specify the place, the day and the hour of meeting, and shall be given in the manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of general meetings from the Company. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given.
- Length of notice
- Contents of notice
- Provided That a general meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:
- Shorter notice
- a) in the case of an annual general meeting by all the Members entitled to attend and vote thereat; and
- b) in the case of an extraordinary general meeting by that number or majority in number of the Members having a right to attend and vote thereat as is required by the Act.
- Provided also that the accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at the meeting.
- Accidental omission
- So long as the shares of the Company are listed on the Exchange, at least fourteen (14) days' notice of every general meeting shall be given by advertisement in the daily press and in writing to the Exchange and to each stock exchange upon which the Company is listed Provided That the accidental omission to give any such notice shall not invalidate the proceedings at the meeting.
- 77) Notice of every general meeting shall be given in any manner authorised by these Articles to:
- Form of notice and to whom to be given
- a) every Member holding shares conferring the right to attend and vote at the meeting who at the time of the convening of the meeting shall have paid all calls or other sums presently payable by him in respect of shares;
- b) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the meeting;
- c) every Director;
- d) the Auditors of the Company, without prejudice to Article 188; and
- e) the Exchange.
- No other person shall be entitled to receive notices of general meetings; Provided Always That if the meeting be called for the alteration of the objects of the Company, the provisions of Section 33 of the Act regarding notices to debenture holders shall be complied with.

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

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| 78) | There shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that a proxy need not be a Member. | Notice to state that Member can appoint proxy |
| 79) | All business shall be deemed special that is transacted at an extraordinary general meeting and also all that is transacted at an annual general meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditors of the Company, the election of Directors in place of those retiring by rotation or otherwise, the fixing of the fees of Directors, the declaration of dividends, and the appointment of and the fixing of the remuneration of the Auditors of the Company, which shall be deemed routine business. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. | All business deemed special business |
| 80) | In the case of any general meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of the special business, and if any resolution is to be proposed as a special resolution or as requiring special notice, the notice shall contain a statement to that effect. | Notice to specify nature of special business |

PROCEEDINGS AT GENERAL MEETINGS

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| 81) | No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Except as herein otherwise provided, two (2) Members present in person shall form a quorum. For the purposes of this Article, 'Member' includes a person attending as a proxy and a corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Section 179(3) of the Act. Provided That (i) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum. | Quorum |
| 82) | If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting if convened on the requisition of Members shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved. | Adjournment if quorum not present |
| 83) | The Chairman of the Board or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting, but if there be no such Chairman or Deputy Chairman, or if at any meeting he shall not be present within fifteen (15) minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, one of themselves to be Chairman of the meeting. | Chairman |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 84) The Chairman of the meeting may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place (or *sine die*), but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty (30) days or more or *sine die*, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting. Adjournment by chairman
- 85) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless, subject to Article 89, a poll is (before or on the declaration of the result of the show of hands) demanded: Method of voting
- a) by the Chairman of the meeting; or
 - b) by at least two (2) Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative and entitled to vote thereat; or
 - c) by any Member or Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing not less than one-tenth (1/10) of the total voting rights of all the Members having the right to vote at the meeting; or
 - d) by any Member or Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing shares being not less than ten per cent (10%) of the total number of paid-up shares of the Company conferring a right to vote at the meeting (excluding treasury shares).
- Unless a poll is so demanded (and the demand is not withdrawn) a declaration by the Chairman 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 the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.
- 86) In the case of an equality of votes whether on a show of hands or on a poll as aforesaid, the Chairman shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled as a Member or as a proxy of a Member. Equality of votes

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| 87) | If a poll is demanded as aforesaid, it shall be taken in such manner and at such time (not being more than thirty (30) days from the date of the meeting) and place as the Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. No notice need be given of a poll not taken at once. In case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith shall be final and conclusive. | Time for taking a poll |
| 88) | If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a 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, 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. | Method of taking poll |
| 89) | The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. | Continuance of business |
| 90) | Notwithstanding Article 85, no poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment. | No poll |
| 91) | Subject to the provisions of the Act, a resolution in writing signed by every Member entitled to vote or being a corporation by its duly authorised representative shall have the same effect and validity as an ordinary resolution of the Company passed at a general meeting duly convened, held and constituted, and may consist of several documents in like form, each signed by one or more of such Members. The expressions 'in writing' and 'signed' include approval by telefax, telex, cable or telegram by any such Member. | Resolutions in writing |
| 92) | If at any general meeting any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the vote unless it be pointed out at the same meeting or at any adjournment thereof, and be in the opinion of the Chairman of sufficient magnitude to vitiate the result of the voting. | Error in counting votes |
| 93) | The Members may participate at a general meeting by telephone or video conference or by means of similar communication equipment whereby all persons participating in the meeting are able to hear and, if applicable, see each other and such participation shall constitute presence in person at such meeting and Members (or their proxy or, in the case of a corporation, their respective corporate representatives) so participating shall be counted in the quorum for the meeting. Such a meeting shall be deemed to take place where the largest group of Members (or their proxy, or in the case of a corporation, their respective corporate representatives) present for purposes of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is present. | Meetings via electronic means |

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VOTES OF MEMBERS

- 94) (1) 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, each Member entitled to vote may vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- (2) On a show of hands every Member who is present in person or by proxy or attorney, or in the case of a corporation by a representative, shall have one vote Provided That if a Member is represented by two (2) proxies, without prejudice to specific terms of Article 99 only one of the two proxies as determined by their appointor 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) shall vote on a show of hands and on a poll, every Member who is present in person or by proxy, attorney or representative shall have one vote for each share which he holds or represents.
- (3) Notwithstanding anything contained in these Articles, a Depositor shall not be entitled to attend any general meeting and to speak and vote thereat unless his name is certified by the Depository to the Company as appearing on the Depository Register not later than forty-eight (48) hours before that general meeting (the 'cut-off time') as a Depositor on whose behalf the Depository holds shares. For the purpose of determining the number of votes which a Depositor or his proxy may cast on a poll, the Depositor or his proxy shall be deemed to hold or represent that number of shares entered in the Depositor's Securities Account at the cut-off time as certified by the Depository to the Company, or where a Depositor has apportioned the balance standing to his Securities Account as at the cut-off time between two (2) proxies, to apportion the said number of shares between the two (2) proxies in the same proportion as specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the number of shares standing to the credit of that Depositor's Securities Account as at the cut-off time, and the true balance standing to the Securities Account of a Depositor as at the time of the relevant general meeting, if the instrument is dealt with in such manner as aforesaid.
- 95) If any Member be a lunatic, idiot or *non compos mentis* he may vote by his committee, *curator bonis* or other legal curator and such last mentioned persons may give their votes by proxy or attorney, but no person claiming to vote pursuant to this Article shall do so unless such evidence as the Directors may require of his authority shall have been deposited at the Office not less than forty-eight (48) hours before the time for holding the meeting at which he wishes to vote.
- 96) If two (2) or more persons are jointly entitled to a share then in voting upon any question, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or the Depository Register (as the case may be). Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof. For the purposes of quorum, joint holders of any share or joint Depositors shall be treated as one (1) Member.

Voting rights
of Members

Voting rights of
Members of
unsound mind

Voting rights of
joint holders

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 97) Save as herein expressly provided and the provisions of the Act, no person other than a Member duly registered, and only in respect of shares upon which all calls due to the Company have been paid, shall be entitled to be present or to vote on any question, either personally or by proxy, attorney or representative at any general meeting. Right to vote
- 98) Any instrument appointing a proxy shall be in writing in the common form approved by the Directors under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, under seal or under the hand of its attorney duly authorised and the Company shall accept as valid in all respects the form of proxy approved by the Directors for use at the date relevant to the general meeting in question. The instrument appointing a proxy shall be deemed to confer authority generally to act at the meeting for the Member giving the proxy. Instrument of proxy
- 99) (1) Unless the Directors permit otherwise, a Member may appoint not more than two (2) proxies to attend and vote at the same general meeting. A proxy or attorney need not be a Member. Appointment of proxies
- (2) If the Member is a Depositor, the Company shall be entitled:
- a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered in its Securities Account as at the cut-off time (as defined in Article 94(3)) as certified by the Depository to the Company; and
 - b) 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 the 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.
- (3) Where a Member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing one hundred per cent (100%) of the shareholding and any subsequent named proxy as an alternate to the first named.
- (4) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the Member personally or by his attorney, or in the case of a corporation by its representative.
- (5) Where a Member appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members, or in the case of a Depositor, standing to the credit of his Securities Account, such proxy may not exercise any of the votes or rights of shares not registered to the name of that Member in the Register of Members or standing to the credit of that Depositor's Securities Account as the case may be, as at the cut-off time.
- (6) The Company shall be entitled and bound, in determining the 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.

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corporation as the corporation could exercise if it were an individual Member. The Company shall be entitled to treat a certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this Article.

105) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive. Objections

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

DIRECTORS

107) Subject to the other provisions of Section 145 of the Act, the number of Directors, all of whom shall be natural persons, shall not be less than two (2). Number of Directors

108) A Director need not be a Member and shall not be required to hold any share in the Company by way of qualification. Qualifications

109) (1) The fees of the Directors shall be determined from time to time by the Company in general meeting and such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting where notice of the proposed increase shall have been given in the notice convening the meeting. Such fees shall be divided among the Directors in such proportions and manner as they may agree and in default of agreement equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such fee is payable shall be entitled only to rank in such division for the proportion of fee related to the period during which he has held office. Fees for Directors

(2) Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may, subject to Section 169 of the Act, be paid such extra remuneration as the Directors may determine. Extra remuneration

(3) Notwithstanding any other Article herein, the remuneration in the case of a Director other than an Executive Director shall be payable by a fixed sum and shall not at any time be by a commission on or a percentage of the profits or turnover, and no Director whether an Executive Director or otherwise shall be remunerated by a commission on or a percentage of turnover. Remuneration by fixed sum

110) The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. Reimbursement of expenses

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 111) (1) Subject to the Act, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director or former Director who had held any other salaried office or place of profit with the Company or to his widow or dependents or relations or connections and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance. Pensions to Directors and dependents
- (2) The Directors may procure the establishment and maintenance of or participate in or contribute to any non-contributory or contributory pension or superannuation fund or life assurance scheme or any other scheme whatsoever for the benefit of and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of the predecessors in business of the Company or of any subsidiary company, and the wives, widows, families or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription and support to any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid or of its Members and payment for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. Benefits for employees
- 112) (1) Other than the office of auditor, a Director may hold any other office or place of profit in the Company and he or any firm of which he is a member or any company of which he is a director or shareholder may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. Subject to the Act, no Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company whether as vendor, purchaser, lessor, lessee, mortgagor, mortgagee, manager, agent, broker or otherwise howsoever nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested whether directly or indirectly be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established. Provided Always That he has complied with the requirements of Section 156 of the Act as to disclosure. Power of Directors to hold office of profit and to contract with Company
- (2) Every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in transactions or proposed transactions with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director. Notwithstanding such disclosure, a Director shall not vote in regard to any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest although he shall be taken into account in ascertaining whether a quorum is present. Directors to observe Section 156 of the Act
- (3) The provisions of Article 112(2) may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting, and any particular contract, arrangement or transaction carried out in contravention of this Article may be ratified by ordinary resolution of the Company, or as otherwise provided in these Articles.

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- 113) (1) A Director may be or become a director of or hold any office or place of profit (other than as auditor) or be otherwise interested in any company in which the Company may be interested as vendor, purchaser, shareholder or otherwise and unless otherwise agreed shall not be accountable for any fees, remuneration or other benefits received by him as a director or officer of or by virtue of his interest in such other company. Holding of office in other companies
- (2) Subject always to Article 112(2), the Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as the Directors think fit in the interests of the Company (including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any such director of the Company may vote in favour of the exercise of such voting powers in the manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company. Directors may exercise voting power conferred by Company's shares in another company
- 114) The Company in general meeting may, subject to the provisions of these Articles and any requirements of the Act, by ordinary resolution of which notice has been given to all Members entitled to receive notices, from time to time remove any Director before the expiration of his period of office (notwithstanding anything in these Articles or in any agreement between the Company and such Director) and appoint another person in place of the Director so removed (and any person so appointed shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director), and may increase or reduce the number of Directors, and may alter their share qualifications (if any). Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy in accordance with Article 120. Until otherwise determined by a general meeting, there shall be no maximum number of Directors. Removal and appointment of Director and change in maximum number of Directors
- 115) Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a Director shall be vacated on any one of the following events: Vacation of office of Director
- a) If a receiving order is made against him or he becomes bankrupt or makes any arrangement or composition with his creditors.
 - b) If he should be found lunatic or becomes of unsound mind.
 - c) If he absents himself from the meetings of the Directors during a continuous period of three (3) months without special leave of absence from the Board and they pass a resolution that he has by reason of such absence vacated office.
 - d) If by notice in writing to the Company he resigns his office.
 - e) If he is prohibited from being a Director by reason of any order made under the Act.
 - f) If he is removed from office pursuant to a resolution passed under the provisions of Article 114.

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- g) If he be requested in writing by a majority of the other Directors for the time being to vacate office.
- h) If he ceases to be a Director by virtue of any of the provisions of the Act, including but not limited to Section 147 of the Act.
- i) Subject to the provisions of the Act at the conclusion of the annual general meeting commencing next after he attains the age of seventy (70) years.

- 116) A Director shall be entitled to receive notice of, attend and speak at all general meetings of the Company.

Attendance at general meeting

ROTATION OF DIRECTORS

- 117) Subject to these Articles and to the Act, at each annual general meeting at least one-third (1/3) of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not lesser than one-third (1/3)) shall retire from office by rotation, Provided That all Directors submit themselves for re-nomination and re-election at regular intervals and at least once every three (3) years.

Retirement of Directors by rotation

- 118) The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment or have been in office for the three (3) years since their last election. However as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Selection of Directors to retire

- 119) The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill up the vacated office by electing a person thereto. In default the retiring Director shall be deemed to have been re-elected, unless:

Deemed re-appointed

- a) at such meeting it is expressly resolved not to fill up such vacated office or a resolution for the re-election of such Director is put to the meeting and lost; or
- b) 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 re-elected;
- c) the default is due to the moving of a resolution in contravention of Section 150 of the Act; or
- d) such Director has attained any retiring age applicable to him as a Director.

The retirement shall not take 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.

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- 120) A person, other than a Director retiring at the meeting, shall be eligible for election to office as a Director at any general meeting if not less than eleven (11) clear days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing duly signed by the nominee giving his consent to the nomination and signifying his candidature for the office or the intention of such Member to propose him, Provided That in the case of a person recommended by the Directors for election nine (9) clear days' notice only shall be necessary, and notice of each and every candidate for election shall be served on all Members at least seven clear (7) days prior to the meeting at which the election is to take place.
- Notice of intention to appoint Director
- 121) The Directors shall have power at any time from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or pursuant to these Articles. Any Director so appointed shall hold office only until the next annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.
- Directors' power to fill casual vacancies and to appoint additional Directors

CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

- 122) The Directors may from time to time appoint one or more of their body or any other person(s) to be Chief Executive Officer(s) / Managing Director(s) of the Company (or any equivalent appointment(s) howsoever described) 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 places. Where an appointment is for a fixed term, such term shall not exceed five (5) years.
- Appointment, resignation and removal of Chief Executive Officer / Managing Director
- 123) A Chief Executive Officer / Managing Director (or any person holding an equivalent appointment) who is a Director shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors and if he ceases to hold the office of Director from any cause he shall *ipso facto* and immediately cease to be a Chief Executive Officer / Managing Director.
- Chief Executive Officer / Managing Director subject to retirement by rotation
- 124) A Chief Executive Officer / Managing Director (or any person holding an equivalent appointment) shall, subject to Section 169 of the Act and to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission or participation in profit, or partly in one way and partly in another) as the Directors may determine; but he shall not under any circumstance be remunerated by a commission on a percentage of turnover.
- Remuneration of Chief Executive Officer / Managing Director
- 125) The Directors may entrust to and confer upon a Chief Executive Officer / Managing Director (or any person holding an equivalent appointment) any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter, or vary all or any of those powers. A Chief Executive Officer / Managing Director (or any person holding an equivalent appointment) shall be subject to the control of the Board.
- Power of Chief Executive Officer / Managing Director

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POWERS AND DUTIES OF DIRECTORS

- 126) The business of the Company shall be managed by or under the direction of the Directors, who may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article. Business of Company to be managed by Directors
- 127) The Directors may establish any local boards or agencies for managing any affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to subdelegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person acting in good faith and without notice of any such annulment or variation shall be affected thereby. Establishing local Boards
- 128) The Directors may at their discretion exercise every borrowing power permitted by law and may borrow or raise money from time to time for the purpose of the Company and secure the payment of such sums by mortgage, charge or hypothecation of or upon all or any of the property or assets of the Company including any uncalled or called but unpaid capital or by the issue of debentures or otherwise as they may think fit. Power to borrow
- 129) (1) The Directors may delegate any of their powers other than the powers to borrow and make calls to committees consisting of such members of their body as they think fit and (if thought fit) one (1) or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed upon them by the Board. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee. Power to delegate to committee
- (2) Without prejudice to the generality of Article 129(1) the Directors must at a minimum appoint an audit committee as required by the Act, and such other committees as may be prescribed by the Code of Corporate Governance as deemed appropriate by the Directors. Each of these committees must in the exercise of the powers delegated to them conform with the Act and any regulations made thereunder, the Code of Corporate Governance and such terms of reference as are put together.
- 130) The meetings and proceedings of any such committee consisting of two (2) or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any terms of reference made by the Directors under the last preceding Article. Proceedings of committees
- 131) The Directors may, at any time, and from time to time, by power of attorney under the Seal, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles), and for such period and subject to such conditions as the Directors may from time to Power to appoint attorneys

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time think fit, and such appointment may (if the Directors think fit) be made in favour of the Members or in favour of any body corporate or of the members, Directors, nominees or managers of any body corporate or unincorporate, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

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| 132) | All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments in which the Company is in any way concerned or interested and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall from time to time by resolution determine. | Signing of cheques and bills |
| 133) | All acts <i>bona fide</i> done by any meeting of Directors or of a committee of Directors or by any person acting as Director shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were or was disqualified or had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote. | Validity of acts despite defect in appointment |
| 134) | The Company may exercise the powers conferred upon the Company by Section 196 of the Act with regard to the keeping of a Branch Register, and the Directors may (subject to the provisions of that Section) make and vary such regulations as they may think fit respecting the keeping of any such Register. | Branch register |

ALTERNATE DIRECTOR

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| 135) | Any Director may at any time by writing under his hand and deposited at the Office appoint any person approved by a majority of his co-Directors to be his Alternate Director during such period as he thinks fit and may in like manner at any time terminate such appointment. Any appointment or removal by telefax, telex or cable shall be confirmed as soon as possible by letter, but may be acted upon by the Company meanwhile. | Appointment of Alternate Director |
| 136) | No Director may act as an Alternate Director. A person may not act as an Alternate Director for more than one (1) Director. | Director may act as Alternate Director |
| 137) | The appointment of an Alternate Director shall <i>ipso facto</i> determine on the happening of any event which if he were a Director would render his office as a Director to be vacated and his appointment shall also determine <i>ipso facto</i> if his appointor ceases for any reason to be a Director. | Determination of appointment |
| 138) | An Alternate Director shall (subject to his giving to the Company an address in Singapore) be entitled to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally to perform all functions of his appointor as a Director and in the absence of his appointor from Singapore he shall be entitled to sign any resolution passed in accordance with Article 147 which shall be as effective as the signature of his appointor. | Notices and attendance at meetings |

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| 139) An Alternate Director shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company. Any fee paid to an Alternate Director shall be deducted from the remuneration otherwise payable to his appointor. | Remuneration |
| 140) An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being under these Articles but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote. Provided That he shall not constitute a quorum if he is the only person present at the meeting. | Alternate Director counted for quorum purposes |
| 141) An Alternate Director shall not be required to hold any share of the Company by way of qualification. | Alternate Director need not hold share qualification |

PROCEEDINGS OF DIRECTORS

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| 142) The Directors or any committee of Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and determine the quorum necessary for the transaction of business. Unless otherwise determined, a majority of the Directors for the time being appointed to the Board shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote Provided Always That the Chairman of a meeting at which only two (2) Directors are competent to vote on the question at issue shall not have a second or casting vote. A meeting of the Directors or any committee of Directors at which a quorum is present at the time the meeting proceeds to business shall be competent to exercise all the powers and discretions for the time being exercisable by the Directors or such committee of Directors. | Meetings of Directors and quorum |
| 143) A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors by notice served upon the several members of the Board. Notice of a meeting of Directors shall be given to all Directors, whether or not he is in Singapore. Any Director may waive notice of any meeting and any such waiver may be retroactive. | Convening meetings |
| 144) The accidental omission to give any Director, or the non-receipt by any Director of, a notice of meeting of Directors shall not invalidate the proceedings at that meeting. | Accidental omission |
| 145) The Directors or any committee of Directors may from time to time elect a Chairman and, if desired, a Deputy Chairman and determine the period for which he is or they are to hold office. The Deputy Chairman shall perform the duties of the Chairman during the Chairman's absence. The Chairman or, in his absence, the Deputy Chairman shall preside as Chairman at their meetings, but if no such Chairman or Deputy Chairman is elected or if at any meeting the Chairman and the Deputy Chairman are not present within fifteen (15) minutes after the time appointed for holding the same, a substitute for that meeting shall be appointed by such meeting from among the Directors present. | Chairman |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

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| 146) | The Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the minimum number fixed by or pursuant to these Articles, the continuing Directors or Director may, except in an emergency, act for the purpose of appointing sufficient Directors to bring the Board up to that number or of summoning a general meeting of the Company notwithstanding that there shall not be a quorum, but for no other purpose. If there are no Directors or Director able or willing to act, then any two (2) Members may summon a general meeting of the Company for the purpose of appointing Directors. | Proceeding in case of vacancies |
| 147) | A resolution in writing signed or approved by a majority of the Directors for the time being (who are not prohibited by law or these Articles from voting on such resolutions) and constituting a quorum shall be as valid and effectual as if it had been passed at a meeting of the Directors or of a committee of Directors duly convened and held. Any such resolution may be contained in a single document or may consist of several documents all in like form each signed or approved as aforesaid Provided That where a Director is not so present but has an alternate who is so present, then such resolution must also be signed by such alternate. A resolution pursuant to this Article shall be deemed to have been passed on the date when the resolution is signed or approved by the last Director constituting a simple majority of the Directors. For the purpose of this Article, 'in writing' and 'signed' include approval by letter, telex, facsimile, cable, telegram, email or any other form of electronic communication or telegraphic communication or means approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors. | Resolutions in writing |
| 148) | The meetings of Directors may be conducted by means of telephone or video conference or other methods of simultaneous communication by electronic, telegraphic or other similar means by which all persons participating in the meeting are able to hear and be heard and, if applicable, see and be seen by all the other participants without the need for physical presence, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The minutes of such a meeting signed by the Chairman of the meeting shall be conclusive evidence of any resolution of any meeting so conducted. Such a meeting shall be deemed to take place where the largest group of Directors present for purposes of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is present. | Meetings via electronic means |
| 149) | The Directors participating in any such meeting shall be counted in the quorum for such meeting and, subject to there being a requisite quorum under these Articles, 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. | Directors participating in electronic meetings counted towards quorum |
| 150) | In the case of a meeting which is not held in person, the fact that a Director is taking part in the meeting must be made known to all the other Directors taking part, and no Director may disconnect or cease to take part in the meeting unless he makes known to all other Directors taking part that he is ceasing to take part in the meeting. | Participation of Director must be made known |
| 151) | The Directors shall cause proper minutes to be made in books to be provided for the purpose of recording all the proceedings of all meetings of Directors and committees of Directors and of the attendances thereat and of the proceedings of all meetings of the Company and all business transacted, resolutions passed, appointments of officers made by the Directors and orders made at such | Minutes |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

meetings and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting of the Company or Directors or committee as the case may be, shall be sufficient evidence without any further proof of the facts therein stated.

- 152) The Directors shall duly comply with the provisions of the Act and in particular the provisions with regard to the registration of charges created by or affecting property of the Company, keeping a Register of Directors and Secretaries, a Register of Members, a Register of Mortgages and Charges and a Register of Directors' share and Debenture Holdings and the production and furnishing of copies of such Registers and of any Register of Holders of Debentures of the Company. Keeping of Registers, etc.
- 153) Any register, index, minute book, book of accounts or other book required by these Articles or by the Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery. Form of Registers, etc.
- 154) Subject to the Act and to the generality of Article 147, any resolution passed by the Directors notice whereof has been given to the Members in the manner in which notices are herein directed to be given and which has within one (1) month after it was so passed been ratified and confirmed in writing by Members entitled to three-fourths (3/4) of the votes shall be as valid and effectual as a resolution of a general meeting but this Article shall not apply to a resolution for winding up the Company or to a resolution passed in respect of any matter which by the Act or these presents ought to be dealt with by a special resolution. Resolutions of Directors requiring ratification by Members

SECRETARY

- 155) The Secretary or joint Secretaries shall, and a Deputy or Assistant Secretaries may, be appointed by the Directors for such term at such remuneration and upon such conditions as they may think fit; and any Secretary or joint Secretary, Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company. The appointment and duties of the Secretary shall not conflict with the provisions of the Act. Appointment and removal of Secretary
- 156) A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting as Director and as or in place of the Secretary. Only Director and Secretary can act
- 157) A provision of the Act or these Articles requiring or authorising a thing to be done by or to the Secretary shall be satisfied by its being done by or to one or more of the joint Secretaries if any for the time being appointed by the Directors. Joint Secretaries

THE SEAL

- 158) The Directors shall provide for the safe custody of the Seal which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf; and every instrument to which the Seal shall be affixed shall be signed by one (1) Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose. Use of Seal

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| 159) | The Company may exercise all the powers conferred by Section 41 of the Act to have an official seal for use abroad and such official seal shall be affixed by the authority and in the presence of and the instruments sealed therewith shall be signed by such persons as the Directors shall from time to time by writing under the seal appoint. | Official Seal
overseas |
| 160) | The Company may have a duplicate common seal as referred to in Section 124 of the Act which shall be a facsimile of the common seal with the addition on its face of the words 'Share Seal'. | Share Seal |

AUTHENTICATION OF DOCUMENTS

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| 161) | 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, the Directors or any committee, and any books, records, documents and accounts 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 accounts are elsewhere than at the Office, the local manager and other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. Any authentication or certification made pursuant to this Article may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security procedures or devices approved by the Directors. | Power to
authenticate
documents |
| 162) | 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 such in accordance with the provisions of the last preceding Article 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 such extract is a true and accurate record of proceedings at a duly constituted meeting of the Directors or such committee. Any authentication or certification made pursuant to Article 161 above and/or this Article may be made by any electronic means approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors. | Certified copies
of resolution of
Directors |

DIVIDENDS AND RESERVES

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| 163) | Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted by the Act:

a) all dividends in respect of shares shall be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

b) all dividends shall be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. | Apportionment
of dividends |
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For the purposes of this Article, no amount paid or credited as paid on a share in advance of a call shall be treated as paid on the share.

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- 164) The Directors may before recommending any dividend set aside out of the profits of the Company such sum or sums as they think proper as a reserve fund which shall at the discretion of the Directors be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining any works connected with the business of the Company or shall be as to the whole or in part applicable for special dividends or for equalising dividends or for distribution by way of special dividend or bonus on such terms and in such manner as the Directors shall from time to time determine and the Directors may divide the reserve fund into separate funds for special purposes and may invest the sums from time to time carried to the credit of such fund or funds upon such securities (other than the share) as they may select. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it not prudent to divide.
- Power to set aside profits as reserve
- 165) The Directors may, with the sanction of a general meeting, from time to time declare dividends, but no such dividend shall (except as by the Statutes expressly authorised) be payable otherwise than out of the profits of the Company. No higher dividend shall be paid than is recommended by the Directors and a declaration by the Directors as to the amount of the profits at any time available for dividends shall be conclusive. The Directors may, if they think fit, and if in their opinion the position of the Company justifies such payment, without any such sanction as aforesaid, from time to time declare and pay an interim dividend, or pay any preferential dividend on shares issued upon the terms that the preferential dividends thereon shall be payable on fixed dates.
- Declaration and payment of dividends
- Interim dividends
- 166) With the sanction of a general meeting, dividends may be paid wholly or in part in specie, and may be satisfied in whole or in part by the distribution amongst the Members in accordance with their rights of fully paid shares, stock or debentures of any other company, or of any other property suitable for distribution as aforesaid. The Directors shall have full liberty to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as in their opinion may be necessary or expedient including with a view to facilitating the equitable distribution amongst the Members of the dividends or portions of dividends to be satisfied or to give them the benefit of their proper shares and interests in the property, and no valuation, adjustment or arrangement so made shall be questioned by any Member.
- Payment of dividends in specie
- 167) (1) Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary 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:
- Scrip dividends
- a) the basis of any such allotment shall be determined by the Directors;
- b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such

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- elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article;
- c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right election has been accorded Provided That the Directors may determine, either generally or in specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect of which 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 any provision of the Articles to the contrary, the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid, including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may be lawfully appropriated, capitalised, applied, paid or distributed for the purpose of the allotment and without prejudice to the generality of the foregoing the Directors may (i) capitalise and apply the amount standing to the credit of any of the Company’s reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sums as may be required to pay up in full (to the nominal value thereof) the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.
- (2)a) The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- b) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalisation, application, payment and distribution of funds pursuant to the provisions of paragraph (1) of this Article, with full power to make such provisions as they may think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members) and to authorise any
- Ranking of shares and other actions

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

person to enter on behalf of the Members interested into agreement(s) with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

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| (3) | The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article, determine the 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 of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit and, in such event, the provisions of this Article shall be read and construed subject to such determination. | Record date |
| (4) | The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article, 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 of Members (or as the case may be) the Depository Register is 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 entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared. | Cash in lieu of shares |
| (5) | Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may in their absolute discretion and as they deem fit, cancel the proposed application of paragraph (1) of this Article. | Cancellation |
| 168) | No Member shall be entitled to receive any dividend or to be present or vote at any meeting or upon a poll, or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any). | No right to dividends where calls outstanding |
| 169) | The Directors may deduct from any dividend or other moneys payable to a Member in respect of any share held by such Member, either alone or jointly with any other Member, any or all sums of money as may be due and payable by him, either alone or jointly with any other person in respect of any debts, liabilities or engagements to the Company on account of calls or otherwise towards satisfaction (in whole or in part) of such debts, liabilities or engagements, or any other amount which the Company is required by law to deduct. | Deduction from debts due to Company |
| 170) | A transfer of a share shall not pass the right to any dividend declared in respect thereof before the transfer has been registered. | Effect of transfer of shares |
| 171) | The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. | Retention of dividends on shares subject to lien |

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- 172) The Directors may retain the dividends payable on shares in respect of which any person is under these Articles, as to the transmission of shares, entitled to become a Member, or which any person under these Articles is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same. Retention of dividends on shares pending transmission
- 173) Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may by writing direct. Provided that where the Member is a Depositor, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any further liability in respect of that payment. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Dividend paid by cheque or warrant
- 174) The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six (6) years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever. Unclaimed dividends
- 175) No unpaid dividend or moneys payable on or in respect of a share shall bear interest as against the Company. No interest on unpaid dividends

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

- 176) The Company in general meeting may, upon the recommendation of the Directors, by ordinary resolution (including any ordinary resolution conferring general authority passed pursuant to Article 67(2)):
- a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
- i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
- Power to capitalise profits

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- ii) (in the case of an ordinary resolution conferring general authority passed pursuant to Article 67(2)) such other date as may be determined by the Directors,

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

- b) capitalise any part of the amount for the time being standing to the credit of the Company's reserve funds or to the credit of the profit and loss account or otherwise available for distribution to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:

- i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or

- ii) (in the case of an ordinary resolution conferring general authority passed pursuant to Article 67(2)) such other date as may be determined by the Directors,

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

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| 177) | The Directors may do all acts and things necessary or expedient to give effect to any such bonus issue and/or capitalisation under Article 176, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of the Members entitled thereto into agreement(s) with the Company providing for any such bonus issue and/or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all such Members. | Directors to give effect to bonus issues and/or capitalisation |
| 178) | In addition and without prejudice to the powers provided for by Articles 176 and 177 above, the Directors shall have the power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in general meeting in such manner and on such terms as the Directors shall think fit. | Power to capitalise profits in paying up in full new shares under share incentive or option schemes of the Company |

ACCOUNTS

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| 179) | The Directors shall cause proper books of accounts and other records to be kept as are necessary to comply with the provisions of the Act and, in particular, with respect to: | Directors to keep proper accounts |
| | a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; | |

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- b) all sales and purchases of goods by the Company; and
- c) the assets and liabilities of the Company.

Such books of account shall give a true and fair view of the state of the Company's affairs and explain its transactions. True and fair value

180) The books of accounts shall be kept at the Office, or, subject to Section 199 of the Act, at such other place or places as the Directors think fit and shall always be open to inspection by the Directors. Location of books of accounts

181) The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by a resolution of the Company in general meeting. Inspection

182) The Directors shall from time to time in accordance with Section 201 of the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary. The interval between the close of the Company's financial year and the date of the Company's annual general meeting shall not exceed four (4) months (or such other period as may be prescribed from time to time by the Exchange, the provisions of the Act and/or any applicable law). Preparation and laying of accounts

183) A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting together with a copy of the Auditor's report shall not less than fourteen (14) days before the date of the meeting be delivered or sent by post to every Member of and every holder of debentures of the Company and to every other person who is entitled to receive notice from the Company under the provisions of the Act or these Articles; Provided Always That this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware or to more than one of the joint holders of any shares or debentures in the Company or the several persons entitled thereto in consequence of the death or 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. Copies of accounts

184) Such number of each document as is referred to in the preceding Article or such other number as may be required by the Exchange shall be forwarded to the Exchange at the same time as such documents are sent to the Members. Accounts to Exchange

AUDIT AND AUDITORS

185) Auditors of the Company shall be appointed and their duties regulated in accordance with the provisions of the Act. Regulation of Auditors

186) Every Auditor shall have a right of access at all times to the accounting and other records of the Company and shall make his report as required by the Act. Auditor's rights to documents

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| 187) | Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment. | Acts of Auditors valid despite defect in appointment |
| 188) | Without prejudice to Article 77(d) the Auditors shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting to which any Member is entitled and to be heard at any general meeting on any part of the business of the meeting which concerns them as Auditors. | Auditor's right to receive notice and attend meetings |

NOTICES

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| 189) | (1) Any notice may be given by the Company to any Member in any of the following ways:

a) by delivering the notice personally to him; or

b) by sending it by prepaid mail to him at his registered address in Singapore or where such address is outside Singapore by prepaid airmail; or

c) by sending a cable or telex or telefax or electronic mail containing the text of the notice to him at his registered address in Singapore or where such address is outside Singapore to such address or to any other address as might have been previously notified by him to the Company. | Service of notice |
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(2) Any notice or other communication served under any of the provisions of these Articles on or by the Company or any officer of the Company may be tested or verified by telex or telefax or electronic mail or telephone or such other manner as may be convenient in the circumstances but the Company and its officers are under no obligation so to test or verify any such notice or communication.

For the purpose of this Article, "registered address" shall mean such registered address in the Register of Members or the Depository Register (as the case may be).

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|------|--|--------------------------------------|
| 190) | Without prejudice to the provisions of Article 189, any notice or document (including, without limitations, any accounts, balance-sheet or report) which is required or permitted to be given, sent or served under the Act or under these Articles by the Company, or by the Directors, to a Member or officer or Auditor of the Company may be given, sent or served using electronic communications to the current address of that person in accordance with the provisions of, or as otherwise provided by, the Act and/or any other applicable regulations or procedures. 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 Act and/or any other applicable regulations or procedures. | Service by electronic communications |
| 191) | All notices, communications and documents (including a share certificate) with respect to any share to which persons are jointly entitled, shall be given to whichever of such persons is named first in the Register of Members or the Depository Register (as the case may be), and notice so given shall be sufficient notice to all the holders of such shares. | Service of notices to joint holders |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

- 192) Any Member described in the Register of Members or the Depository Register (as the case may be) by an address not within Singapore who shall from time to time give in writing the Company or the Depository an address within Singapore at which notices may be served upon him shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles but, save as aforesaid, no Member other than a Member described in the Register of Members or the Depository Register (as the case may be) by an address within Singapore shall be entitled to receive any notice from the Company. Service on overseas Members
- 193) Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company may be sent or served by leaving the same or sending it through AR mail in a prepaid letter, addressed to the Company or to such officer at the Office. Service on Company
- 194) (1) Any notice given in conformity with Article 189 shall be deemed to have been given at any of the following times as may be appropriate: When service effected
- a) when it is delivered personally to the Member, at the time when it is so delivered;
 - b) when it is sent by prepaid mail to an address in Singapore or by prepaid airmail to an address outside Singapore, on the day following that on which the notice was put into the post; and
 - c) when it is sent by cable or telex or telefax or electronic mail, on the day it is so sent.
- (2) In proving such service or sending, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office or the post box as a prepaid letter or airmail letter as the case may be or that a telex or telefax or electronic mail was properly addressed and transmitted or that a cable was properly addressed and handed to the relevant authority for despatch.
- 195) Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company, whether such signature is printed or written. Signature on notice
- 196) Every person who, by operation of law, transfer or any other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address being entered on the Register of Members, shall be duly given to the person from whom he derives his title to such share. Person becoming entitled to shares bound by notice
- 197) Any notice or document served upon or sent to, or left at the registered address of any Member or given, sent or served to any Member using electronic communications in pursuance of these Articles, shall, notwithstanding that such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy be deemed to have been duly served in respect of any share held by such Member, whether held solely or jointly with other persons; until some other person be registered in his stead as the holder or joint holder of such share, and such service shall, for all purposes of these Articles, be deemed a sufficient service of such notice or document on his executors, administrators or assigns, and all persons (if any) jointly interested with him in such share. Service of notice after death or bankruptcy

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

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|------|---|---|
| 198) | When a given number of days' notice or notice extending over any other period is required to be given the day of service shall not, unless it is otherwise provided or required by these Articles or by the Act, be counted in such number of days or period. | Day of service not counted |
| 199) | The provisions of Articles 189, 194, 195 and 198 shall apply <i>mutatis mutandis</i> to notices of meetings of Directors or any committee of Directors. | Notice of meetings of Directors or any committee of Directors |

WINDING-UP / INSOLVENCY

- | | | |
|------|--|----------------------------------|
| 200) | If the Company shall be wound up, subject to due provision being made satisfying the claims of any holders of shares having attached thereto any special rights in regard to the repayment of capital, the surplus assets shall be distributed amongst the Members in proportion to the number of shares held by each Member (but where shares are partly paid, taking into account the proportion of the amounts paid or credited as paid on the partly paid shares) at the commencement of the winding-up. | Distribution of surplus assets |
| 201) | If the Company shall be wound up, the liquidator may, with the sanction of a special resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members, but so that if any division is resolved on otherwise than in accordance with such rights, the Members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to Section 306 of the Act. A special resolution sanctioning a transfer or sale to another company duly passed pursuant to the said Section may in like manner authorise the distribution of any shares or other consideration receivable by the liquidator amongst the Members otherwise than in accordance with their existing rights; and any such determination shall be binding upon all the Members subject to the right of dissent and consequential rights conferred by the said Section. | Distribution of assets in specie |
| 202) | The liquidator may, as he thinks fit, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members and the liquidation of the Company may be closed and the Company dissolved but so that no Member shall be compelled to accept any shares or other securities in respect of which there is a liability. | Trust of assets |
| 203) | In the event of a winding up of the Company, every Member who is not for the time being in Singapore shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall with all convenient speed, give notice thereof to such | Service of notice |

APPENDIX B – THE PROPOSED NEW ARTICLES OF ASSOCIATION

Member by advertisement in any English newspaper widely circulated in Singapore or by a registered letter sent through the post and addressed to such Member at his address as appearing in the Register of Members, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

INDEMNITY

- 204) Subject to the provisions of the Act, every Director, Chief Executive Officer / Managing Director, manager, agent, Auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability by him in defending any proceedings whether civil or criminal which relates to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 76A(13) of the Act or Section 391 of the Act in which relief is granted to him by the Court.
- Indemnity of Directors and other officers

Without prejudice to the generality of the foregoing, no Director, Chief Executive Officer / Managing Director, manager, agent, Auditor, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own negligence, wilful default, breach of duty or breach of trust.

SECRECY

- 205) No Member shall be entitled to require discovery of or any information respecting 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, it will be inexpedient in the interest of the Members to communicate to the public save as may be required by law or the listing rules of the Exchange.
- Secrecy

NOTICE OF EXTRAORDINARY GENERAL MEETING

INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Indofood Agri Resources Ltd. (the “**Company**”) will be held at the Merchant Court Ballroom, Section A, Swissôtel Merchant Court Singapore, 20 Merchant Road, Singapore 058281 on Tuesday, 11 November 2008 at 2.30 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, Resolutions 1 and 2 below as special resolutions and Resolution 3 as an ordinary resolution:

Resolution 1: Special Resolution

Adoption of New Memorandum of Association of the Company

THAT the clauses contained in the new Memorandum of Association of the Company as contained in Appendix A of the circular dated 17 October 2008 issued by the Company to its shareholders (the “**Circular**”) and submitted to this Meeting and, for the purpose of identification, subscribed to by the Chairman thereof, be approved and adopted as the Memorandum of Association of the Company in substitution for, and to the exclusion of, the existing Memorandum of Association of the Company.

Resolution 2: Special Resolution

Adoption of New Articles of Association of the Company

THAT the regulations of the Company contained in the new Articles of Association of the Company as contained in Appendix B of the Circular and submitted to this Meeting and, for the purpose of identification, subscribed to by the Chairman thereof, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

Resolution 3: Ordinary Resolution

Proposed Share Purchase Mandate

THAT:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares in the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) market purchases (each a “**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
 - (ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate in paragraph (a) of this Resolution may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held;
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; or
 - (iii) the date on which purchases or acquisitions of Shares are carried out to the full extent mandated;

- (c) in this Resolution:

“Prescribed Limit” means, subject to the Companies Act, 10% of the total number of issued Shares of the Company (excluding any Shares which are held as treasury shares) as at the date of the passing of this Resolution; and

“Maximum Price”, in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price (as defined hereinafter),

where:

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

“Closing Market Price” means the last dealt price for a Share transacted through the SGX-ST’s Quest-ST system as shown in any publication of the SGX-ST or other sources;

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

“Market Day” means a day on which the SGX-ST is open for trading in securities; and

- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms used in this Notice which are not defined herein shall unless the context otherwise requires have the same meanings ascribed to them in the Company's Circular to Shareholders dated 17 October 2008 (including supplements and modifications thereto).

BY ORDER OF THE BOARD
Indofood Agri Resources Ltd.

Mark Julian Wakeford
Chief Executive Officer and Executive Director
Singapore

17 October 2008

Notes:

- (1) A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) The instrument or form appointing a proxy, duly executed, must be deposited at the registered office of the Company at 80 Raffles Place, #22-23 UOB Plaza 2, Singapore 048624 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting in order for the proxy to be entitled to attend and vote at the Extraordinary General Meeting.

PROXY FORM

INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

Important

1. For investors who have used their CPF monies to buy Indofood Agri Resources Ltd. shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We _____ (Name)

of _____ (Address)

being a *member/members of **Indofood Agri Resources Ltd.** (the “**Company**”), hereby appoint:

Name	Address	*NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

*and/or

Name	Address	*NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing *him/them, the Chairman of the Meeting, as *my/our *proxy/proxies to vote for *me/us on *my/our behalf, and if necessary, to demand a poll, at the Extraordinary General Meeting of the Company to be held at the Merchant Court Ballroom, Section A, Swissôtel Merchant Court Singapore, 20 Merchant Road, Singapore 058281 on Tuesday, 11 November 2008 at 2.30 p.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Special Resolutions and the Ordinary Resolution to be proposed at the Extraordinary General Meeting as indicated with an “X” in the spaces provided hereunder. If no specific directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

	To be used on a show of hands		To be used in the event of a poll	
	For ⁽¹⁾	Against ⁽¹⁾	No. of votes for ⁽²⁾	No. of votes against ⁽²⁾
Special Resolutions				
1. To approve the adoption of the New Memorandum of Association				
2. To approve the adoption of the New Articles of Association				
Ordinary Resolution				
3. To approve the Share Purchase Mandate				

All capitalised terms used in this Proxy Form which are not defined herein shall have the same meanings ascribed to them in the Circular dated 17 October 2008 to Shareholders.

Dated this _____ day of _____ 2008

	Total Number of Shares Held
CDP Register	
Register of Members	

Signature(s) or Common Seal of member(s)

(1) Please indicate your vote “For” or “Against”.

(2) If you wish to use all your votes “For” or “Against”, please indicate with an “X” within the box provided. Otherwise, please indicate the number of votes.

Delete accordingly

IMPORTANT: Please read notes overleaf



PROXY FORM

Proxy Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy. If no such proportion or number is specified, the first-named proxy may be treated as representing 100% of the shareholdings and any second-named proxy as an alternate to the first-named proxy.
3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Extraordinary General Meeting.
4. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or other authority or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.
6. This instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy thereof, must be deposited at the registered office of the Company at 80 Raffles Place, #22-23 UOB Plaza 2, Singapore 048624 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting.
7. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
9. A Depositor shall not be regarded as a member of the Company entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting.

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