



HONG LEONG FINANCE

HONG LEONG FINANCE LIMITED

(Incorporated in Singapore)

Company Registration No. 196100003D

**LETTER TO SHAREHOLDERS
DATED 30 MARCH 2022**

IN RELATION TO

THE PROPOSED ADOPTION OF THE NEW CONSTITUTION

CONTENTS

PARAGRAPH		PAGE
1.	INTRODUCTION.....	1
2.	THE PROPOSED ADOPTION OF THE NEW CONSTITUTION.....	2
3.	DIRECTORS' RECOMMENDATION.....	10
4.	ACTIONS TO BE TAKEN BY SHAREHOLDERS.....	10
5.	DIRECTORS' RESPONSIBILITY STATEMENT.....	11
6.	DOCUMENTS AVAILABLE FOR INSPECTION.....	11
APPENDIX 1	12

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(Incorporated in Singapore)

Company Registration No. 196100003D

Board of Directors:

Executive Director:

Kwek Leng Beng (*Chairman and Managing Director*)

Non-Independent Non-Executive Directors:

Kwek Leng Peck

Kwek Leng Kee

Kevin Hangchi

Lead Independent Director:

Peter Chay Fook Yuen

Independent Non-Executive Directors:

Tan Tee How

Tan Siew San

Christian Gautier de Charnace

Clarence Yeo Gek Leong

Registered Office:

16 Raffles Quay

#01-05

Hong Leong Building

Singapore 048581

30 March 2022

To: The Shareholders of Hong Leong Finance Limited (the “**Company**”)

Dear Sir/Madam

1. INTRODUCTION

1.1 We refer to the Notice of the Annual General Meeting (“**AGM**”) of the Company dated 30 March 2022 (the “**Notice**”) accompanying the Annual Report for the financial year ended 31 December 2021 convening the AGM of the Company to be held on 29 April 2022, and in particular, Special Resolution 8 as set out in the Notice in relation to the proposed adoption of the New Constitution (as defined in paragraph 2.2 below).

1.2 The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to Special Resolution 8 as set out in the Notice in relation to the proposed adoption of the New Constitution, and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

1.3 **If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.**

1.4 If you have sold or transferred your holdings of shares of the Company (“**Shares**”), you should immediately forward this Letter to the purchaser or the transferee or to the stockbroker or other

agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

- 1.5 The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.
- 1.6 WongPartnership LLP is the legal adviser to the Company in relation to the proposed adoption of the New Constitution.

2. THE PROPOSED ADOPTION OF THE NEW CONSTITUTION

2.1 Background

After the adoption of the existing constitution of the Company (the “**Existing Constitution**”) in 2016, there have been several changes to the legislative landscape and listing rules applicable to the Company. For example, the Companies (Amendment) Act 2017 (the “**Amendment Act**”), which was passed in Parliament on 10 March 2017 and took effect in phases on 31 March 2017, 23 May 2017, 11 October 2017 and 31 August 2018 respectively, introduced several changes to the Companies Act 1967 (“the **Companies Act**”). The said changes to the Companies Act aimed to ensure that Singapore’s corporate regulatory regime continues to stay robust, relevant, and in line with international norms, and supports Singapore’s growth as a global hub for businesses. Key changes include the removal of the requirement for a company to have a common seal and the alignment of the timeline for the holding of a company’s annual general meeting with its financial year end. Likewise, the SGX-ST has also introduced continual changes to the listing rules of the SGX-ST (the “**Listing Manual**”) to enhance and refine the regulatory framework governing listed issuers.

- 2.2 The Company is proposing to adopt a new constitution (the “**New Constitution**”), which will fundamentally comprise of the provisions of the Existing Constitution, with certain amendments and additions to *inter alia* take into account the changes to the Companies Act (including those introduced pursuant to the Amendment Act as described above), the changes to the prevailing listing rules of the SGX-ST, as well as introduce certain other proposed changes. Each of these groups of changes is described in further detail below. As mentioned above, the revised provisions of the New Constitution take into consideration the changes which have been introduced to the Companies Act since the adoption of the Existing Constitution, and also seek to avoid inconsistencies between the constitution and the Companies Act. Further, in line with Rule 730(2) of the Listing Manual, which provides that an issuer must make its constitution consistent with all the listing rules of the Listing Manual prevailing at the time of the amendment of its constitution, the Company has also updated the provisions of the New Constitution for consistency with the said listing rules. In addition, other general amendments have been made to streamline and rationalise certain provisions in the New Constitution, including for greater clarity, and to adopt the new citation of Acts of Parliament following the 2020 Revised Edition of Acts, which came to effect on 31 December 2021. In addition to the above, the New Constitution also contains new provisions which will facilitate the potential implementation of a scrip dividend scheme by the Company in the future. Shareholders are advised to read paragraphs 2.5 to 2.8 below for detailed discussions of these proposed changes.

2.3 The adoption of the New Constitution is subject to the approval of the Shareholders by way of a special resolution.

2.4 **Summary of Key Changes Reflected in the New Constitution**

Key provisions in the New Constitution (the “**New Clauses**”, and each, a “**New Clause**”, or “**Amended Clauses**”, and each, an “**Amended Clause**”, as the case may be) which differ significantly from the provisions in the Company’s Existing Constitution (the “**Existing Clauses**”, and each, an “**Existing Clause**”) are summarised in paragraphs 2.5 to 2.8 below. This summary should be read together with Appendix 1 to this Letter, which sets out the principal provisions of the New Constitution which are new, or which are significantly different from the corresponding Existing Clauses in the Company’s Existing Constitution.

2.5 **Changes Incorporating Amendments to the Companies Act**

The following Amended Clauses give effect to the amendments made by the Amendment Act to the Companies Act.

- (a) **Amended Clauses 1, 23, 124 and 127 (Existing Clauses 1, 23, 124 and 127).** Existing Clauses 1, 23, 124 and 127 contain provisions relating to (or referencing) the common seal of the Company, including its safe custody and how the common seal may be affixed.

Amended Clause 127 additionally provides that nothing in Amended Clause 127 (which concerns *inter alia* the safe custody of the common seal of the Company) shall prevent or prohibit the execution by the Company of deeds and documents (including, without limitation, those required to be under or executed under the common seal of a company) in any manner as may be permitted by the Companies Act. This makes clear that the Company may execute deeds and documents otherwise than by the use of its common seal, in line with new Section 41B of the Companies Act, as introduced by the Amendment Act. The new Section 41B of the Companies Act provides that a company may execute a document described or expressed as a deed without affixing its common seal, by signature on behalf of the company by (i) a director and a secretary, (ii) at least two directors or (iii) a director in the presence of a witness who attests the signature. A consequential amendment has also been made to the definition of “Seal” in Amended Clause 1 to reflect that the Company will retain its existing common seal, but need not affix the same to documents unless required by law or unless directed by the Directors.

New Section 41C of the Companies Act, as introduced by the Amendment Act, provides that where a written law or rule of law requires any document to be affixed with the common seal, a document signed in the manner described in new Section 41B satisfies such written law or rule of law. Therefore, while Section 123 of the Companies Act provides that share certificates shall be affixed with the common seal, new Section 41C effectively removes this requirement. In line with new Section 41C, and in order to give the Company more flexibility in the way it issues share certificates, the requirement for share certificates of the Company to be affixed with the common seal has been removed in Amended Clause 23, and the reference to certificates of securities has similarly been removed in Amended Clause 127. A reference to the common seal has

also been clarified in Amended Clause 124 to provide that the Directors may affix the common seal, if any, to any powers of attorney.

- (b) **Amended Clause 60(1) (Existing Clause 60).** Section 175 of the Companies Act, as amended by the Amendment Act, requires a public company listed on the SGX-ST to hold its annual general meeting within four months after the end of each financial year. In line with Section 175 of the Companies Act, the requirement in Existing Clause 60 for the Company to hold its annual general meeting once in every year, and within a period of not more than 15 months after its previous annual general meeting, has been removed. Amended Clause 60(1) instead provides that subject to and in accordance with the Companies Act and the applicable listing rules, an annual general meeting shall be held at such time and place as may be determined by the Directors.

2.6 Changes to Ensure Consistency with the Listing Manual

The provisions below have been updated to ensure consistency with the Listing Manual.

- (a) **Amended Clause 13(1) (Existing Clause 13(1)).** Existing Clause 13(1) concerns the Company's power to consolidate shares, sub-divide shares, and cancel forfeited shares, all of which are subject to the provisions of the Companies Act and every other act for the time being in force concerning companies and/or affecting the Company (the "**Statutes**"). Amended Clause 13(1) additionally provides that this power shall be further subject to the provisions of the applicable listing rules. This is in line with the new Rule 836A of the Listing Manual, which was added on 7 February 2020, which provides further requirements relating to any proposal by the Company to consolidate or sub-divide its shares.
- (b) **New Clause 60(2).** New Clause 60(2) provides that where required by the applicable listing rules and unless prohibited by law, all general meetings of the Company shall be held in Singapore, and at such location as may be determined by the Directors. The general requirement to hold all general meetings in Singapore is in line with Rule 730A(1) of the Listing Manual.

The Existing Clause 60 has now been re-numbered as Amended Clause 60(1).

- (c) **New Clause 72(2).** New Clause 72(2) provides that where a member is required by the Listing Manual or a court order to abstain from voting on a particular resolution, such member shall not vote and shall abstain from voting his shares (including by proxy or by attorney) in respect of the resolution. If votes are cast in contravention of the aforesaid requirement to abstain, or if required by the Listing Manual, the Company shall be entitled to disregard such votes. This is in line with Rule 1206(5) of the Listing Manual, as amended on 31 March 2017, which effectively requires an issuer to disregard any votes cast by a person required to abstain from voting by a listing rule in the Listing Manual or pursuant to a court order served on the issuer. New Clause 72(2) also gives practical force to rules in the Listing Manual which require a member to abstain from voting under certain circumstances, such as where the member is an interested person in an interested person transaction under Chapter 9 of the Listing Manual.

The Existing Clause 72 has now been re-numbered as Amended Clause 72(1).

- (d) **New Clause 103(2) and Amended Clause 103(1) (Existing Clause 103).** Existing Clause 103 provides that one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each AGM. In addition to this, New Clause 103(2) introduces an additional requirement that every Director shall retire from office at least once every three years. This reflects the new Rule 720(5) of the Listing Manual, which was added on 7 February 2020. The Existing Clause 103 has now been re-numbered as Amended Clause 103(1), which clarifies, for the avoidance of doubt, that a Director who is required to retire pursuant to New Clause 103(2) can be included in the one-third referred to in Amended Clause 103(1). Accordingly, the Directors will be subject to retirement pursuant to both of these requirements.

Consequential amendments have been made in Amended Clauses 99(1), 104, 107, 108 and 109(3), including to reflect that the retirement of Directors referred to therein includes retirement by reason of *any other requirement*, which would include the new requirement in New Clause 103(2).

- (e) **Amended Clause 154 (Existing Clause 154).** Amended Clause 154, which concerns the requirement that the Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Companies Act, now additionally extends this to include provisions of the Listing Manual and the Statutes, for further clarity. This will help to facilitate the Company's compliance with the requirements of the Listing Manual relating to the preparation and audit of financial accounts.
- (f) **Amended Clause 163(5) (Existing Clause 163(5)).** Existing Clause 163(5) concerns how separate notice may be given to the Shareholders if the Company uses website publication as a form of electronic communications to circulate a notice or document. Amended Clause 163(5) now provides that such notice, where required by the applicable listing rules, shall be sent to the Shareholders either personally or by post. This is for closer alignment with Rule 1212 of the Listing Manual, which was added on 31 March 2017, which provides that if the Company uses website publication as the form of electronic communications, separate physical notification shall be provided to the Shareholders, containing (i) the publication of the document on the website, (ii) if the document is not available on the website on the date of notification, the date on which it will be available, (iii) the address of the website, (iv) the place on the website where the document may be accessed, and (v) how to access the document.

2.7 General Changes

The provisions below have been updated, rationalised and streamlined for better clarity.

- (a) **Title Page and Amended Clause 1 (Existing Clause 1).** The references to the Singapore statutes in the title page and in Existing Clause 1 have been amended to conform with the new citations for Acts of Parliament following the 2020 Revised Edition of Acts of Parliament, which became effective on 31 December 2021. The short title of

a revised Act now includes the year the Act was enacted, while Chapter numbers are no longer required.

The Amended Clause 1 now additionally provides further interpretation provisions in interpreting the New Constitution, namely:

- (i) that words denoting the singular number shall include the plural number and *vice versa*, words denoting the masculine gender shall include the feminine and neuter genders and *vice versa*, and words denoting persons shall include companies, corporations, and other legal persons;
 - (ii) that words defined in the Interpretation Act 1965, such as “month” and “year”, or “Act of Parliament”, will be interpreted following the Interpretation Act 1965; and
 - (iii) that a special resolution shall be effective for any purpose for which an ordinary resolution is required under the Constitution.
- (b) **Amended Clause 23 (Existing Clause 23).** Amended Clause 23, which concerns entitlement to share certificate, now additionally provides that in the case where the Company sub-divides its shares, the Shareholders will be provided with new share certificates free of charge.
- (c) **New Clause 24(2).** New Clause 24(2) provides that a Shareholder holding more than one share certificate representing shares of the same class may request the cancellation of the said share certificates and that a single share certificate for the said shares to be issued for a fee, which shall be a maximum of \$2.00 (unless such fee is waived by the Directors). This fee is in line with the maximum fee permitted under Rule 734 of the Listing Rules. This complements the Existing Clause 24, which has been re-numbered as Amended Clause 24(1), which already provides that a Shareholder may request the cancellation of the Shareholder’s single share certificate and that two or more share certificates be issued in its place, upon payment of a maximum fee of \$2.00 (unless such fee is waived by the Directors).
- (d) **Amended Clauses 41, 54, 144, 145 and 167 (Existing Clauses 41, 54, 144, 145 and 167).** Existing Clause 54 provides that a person becoming entitled to a share in consequence of a member’s death or bankruptcy may elect to be registered as holder of the share or transfer the share to some other person. Amended Clause 54 now additionally provides that:
- (i) any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the register of members; and
 - (ii) any person managing the estate of a member whose name is entered in the register of members and who becomes mentally disordered or whose person or estate is liable to be dealt with under the law relating to mental capacity,

may similarly elect to be registered as holder of the share or have some other person nominated by him registered as the transferee. As is the case for Existing Clause 54, the Directors shall have the right to decline or suspend registration as they would have had in the case of a transfer of the share by the person whose name is entered in the register of members.

Consequential amendments through the New Constitution have been made so that references in the Company's Existing Constitution to persons becoming entitled to a share in consequence of a member's death or bankruptcy have been substituted with references to persons becoming entitled to a share in consequence of a member's death or bankruptcy *or otherwise*. These amendments are reflected in the Amended Clauses 41, 144, 145 and 167.

- (e) **New Clause 60A.** In a public consultation exercise conducted by the Accounting and Corporate Regulatory Authority of Singapore (“ACRA”) in 2020, ACRA sought feedback on legislative reforms to the Companies Act *inter alia* for the purposes of facilitating virtual general meetings. The Report of the Companies Act Working Group, which was published by ACRA for the purposes of the said public consultation, acknowledged that there was ambiguity in the provisions of the Companies Act as to the issue of virtual general meetings and accordingly recommended legislative amendments to address such ambiguity, and to provide relevant safeguards. The said report also acknowledged that, with respect to the holding of virtual general meetings by listed companies, the SGX-ST should decide whether and what other rules should be prescribed under the applicable listing rules. In anticipation of such potential changes and for greater future flexibility, New Clause 60A has been added to provide that the provisions of the New Constitution should not be taken as prohibiting the Company from proceeding with virtual general meetings, provided that these are conducted in accordance with the Statutes and the applicable listing rules.
- (f) **New Clause 63(5) and Amended Clause 62 (Existing Clause 62).** Existing Clause 62 provides that any general meeting at which it is proposed to pass (i) a special resolution or (ii) a resolution of which special notice has been given to the Company shall be called by at least 21 days' notice in writing (exclusive of the day the notice is served and the day of the general meeting). Amended Clause 62 now only regulates notices for any general meetings at which it is proposed to pass a special resolution. The regulation for notices for general meetings with the intention to move a resolution requiring special notice under the Companies Act has now been moved to New Clause 63(5), for clarity and to better align with the timelines in Section 184(1) and Section 185 of the Companies Act.
- Amended Clause 62 also expands on the threshold consent requirement for a shorter notice period under Section 177(3) of the Companies Act, for clarity.
- (g) **Amended Clause 64(d) (Existing Clause 64(d)).** Existing Clause 64(d) concerns what amounts to routine business in the Company's AGM in relation to the appointment and re-appointment of Directors. To give the Company greater flexibility, Existing Clause 64(d) has been amended to make clear that the appointment of new Directors (as

opposed to the appointment of Directors to fill a vacancy only) will also be considered as routine business.

- (h) **Amended Clauses 65 and 78 (Existing Clauses 65 and 78).** Amended Clause 78, which concerns the voting rights of joint holders, now additionally provides for clarity that any one joint holder (without the need for the presence of the other joint holders) can be present and be reckoned in the quorum of a general meeting, but only the joint holder whose name stands first on the Register of Members or Depository Register may vote if more than one joint holder is present. A consequential amendment has also been made in Amended Clause 65 to clarify that in the determination of the quorum of a general meeting, the joint holders of any one share shall be treated as one member.
- (i) **Amended Clause 71(2) (Existing Clause 71(2)).** Amended Clause 71(2) now provides that where mandatory polling is not required, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll be demanded by, *inter alia*, not less than five Shareholders present in person or by proxy and entitled to vote at the meeting (as opposed to the previous threshold of only two Shareholders under Existing Clause 71(2)). This better aligns with Section 178(1)(b)(i) of the Companies Act.

An editorial amendment has also been made in Amended Clause 71(2) to generally align with the use of percentages as opposed to fractions in the New Constitution.
- (j) **Amended Clause 77 (Existing Clause 77).** Existing Clause 77 concerns how members may vote and provides for the number of votes each member, or his/her proxy or attorney, has in a general meeting. Amended Clause 77 now further clarifies that this provision is subject to the Statutes.
- (k) **Amended Clause 79 (Existing Clause 79).** Existing Clause 79 concerns the rights of members who are mentally disordered in a general meeting. Amended Clause 79 now further clarifies that, in addition to the ability of such members to vote by his/her committee or *curator bonis* or their proxy, such members may similarly exercise any other right conferred by membership in relation to meetings of the Company by the said committee or *curator bonis* or their proxy.
- (l) **Amended Clause 80 (Existing Clause 80).** Amended Clause 80 additionally provides, for the avoidance of doubt, that on a poll, votes may be given personally or by proxy or attorney and a person entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same way. This is for closer alignment with Section 179(2) of the Companies Act.
- (m) **Amended Clause 82(1) (Existing Clause 82(1)).** Amended Clause 82(1) additionally provides, for the avoidance of doubt, that if a member who is not a relevant intermediary appoints more than one proxy in a general meeting, and if the member does not specify the proportion of the shareholding concerned to be represented by each proxy, the first-named proxy in the instrument appointing the proxies shall be deemed to represent 100% of the shareholding to which the instrument of proxy relates, and the second-named proxy shall be deemed to be an alternate to the first-named proxy.

- (n) **Amended Clause 87 (Existing Clause 87).** Existing Clause 87 concerns a situation where there has been an intervening death or mental disorder of a member who had previously appointed a proxy, or the revocation of the proxy, or transfer of the share, in which case the vote given in accordance with the terms of an instrument of proxy remains valid except if an intimation in writing of such event be received by the Company at the Company's Registered Office before the commencement of the general meeting, adjourned meeting or time appointed for the taking of a poll at which the proxy is used. For practicality, Amended Clause 87 introduces a one hour cut-off time before the commencement of the general meeting, adjourned meeting or time appointed for the taking of a poll for such intimation to be received, to give the Company more time for administration.
- (o) **New Clause 87A.** New Clause 87A allows the Company to institute voting via remote means or other modes of voting *in absentia*, including but not limited to voting by mail, electronic mail or facsimile, subject to such security measures as may be deemed necessary or expedient, to the extent permitted under the Statutes and the Listing Manual. While the regulatory authorities have yet to provide additional clarity or listing rules in this respect, New Clause 87A will help to facilitate the introduction of such mechanisms in future, subject to the necessary safeguards. This is also for further alignment with Provision 11.4 of the Code of Corporate Governance 2018.
- (p) **Amended Clause 106 (Existing Clause 106).** Amended Clause 106, which concerns the provision of notice of intention to appoint a Director to the Company, now additionally provides that the provisions of Clause 106 only apply for as long as the Listing Manual so requires. This clarifies that the procedure contained in Clause 106, which is imposed by paragraph 9(h) of Appendix 2.2 to the Listing Manual, only applies to the extent that this requirement applies (and is not waived).
- (q) **New Clause 142A.** New Clause 142A regulates the waiver of dividends by those entitled and provides that such waiver shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy or otherwise of the holder) and delivered to the Company.
- (r) **New Clause 147A.** New Clause 147A introduces new provisions which will facilitate the potential implementation of a scrip dividend scheme by the Company in the future.

If such a scheme is implemented, and is applied to a particular cash dividend, this may provide Shareholders with greater flexibility in meeting their investment objectives as such a scheme will give participating Shareholders the choice (but not an obligation) of receiving part or all of the said cash dividend (to which the scheme applies) in the form of new Shares (credited as fully paid). In other words, participating Shareholders can reinvest some or all of their cash dividends in the equity of the Company without having to incur brokerage fees, stamp duty and other related costs (which may be applicable if Shareholders were to purchase Shares from the market). The Company may also benefit from such a scheme to the extent that, where Shareholders elect to receive cash dividends in the form of Shares, such cash which would otherwise be payable in respect of such dividend can be retained by the Company to strengthen its working capital and/or fund the growth and expansion of the Company.

New Clause 147A also sets out in greater detail the mechanics of scrip dividend schemes, including the manner in which members may elect to receive an allotment of shares in lieu of a cash dividend.

It should be noted that a scrip dividend scheme will be subject to the provisions of the Listing Manual. For the avoidance of doubt, even if a scrip dividend scheme is applied to a cash dividend, in line with Rule 862(6) of the Listing Manual, a Shareholder shall always be given the option to still receive the said dividend entirely in cash.

- (s) **Amended Clause 158 (Existing Clause 158).** Amended Clause 158, which concerns the requirement to provide copies of audited financial statements, now additionally requires the statement of the Directors to accompany the said audited financial statements and the auditor's report. This brings Amended Clause 158 in closer alignment with Section 201(16) of the Companies Act (the Twelfth Schedule of which prescribes the contents for the said statement of the Directors).
- (t) **Amended Clause 170(3) (Existing Clause 170(3)).** Amended Clause 170(3), which concerns members who are not in Singapore in the event that the Company is in the process of being wound up, now provides that where the liquidator nominates a householder in Singapore for such member to receive personal service, the liquidator may provide the notice to such member by electronic communications (in the manner set out in Amended Clause 163), in addition to by an advertisement and by post to the member's registered address.

2.8 **Extracts of Clauses in the New Constitution which are New or Significantly Different from the Corresponding Existing Clauses in the Existing Constitution**

Extracts of the New Clauses or Amended Clauses which are significantly different from the corresponding Existing Clauses in the Existing Constitution are set out in Appendix 1 to this Letter and the main differences are blacklined.

3. **DIRECTORS' RECOMMENDATION**

The Directors are of the opinion that the proposed adoption of the New Constitution is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Special Resolution 8, being the Special Resolution relating to the adoption of the New Constitution to be proposed at the AGM.

4. **ACTIONS TO BE TAKEN BY SHAREHOLDERS**

Shareholders should refer to the Notice of the AGM for further details of the AGM, including instructions on how to participate in the AGM and/or cast their votes at the AGM, including in particular, in respect of Special Resolution 8 as set out in the Notice in relation to the proposed adoption of the New Constitution.

5. DIRECTORS' RESPONSIBILITY STATEMENT

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

6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents available for inspection at the registered office of the Company at 16 Raffles Quay, #01-05, Hong Leong Building, Singapore 048581, during normal business hours. from the date of this Letter up to the date of the AGM:

- (a) the Existing Constitution; and
- (b) the proposed New Constitution.

Yours faithfully
for and on behalf of
the Board of Directors of
Hong Leong Finance Limited

Kwek Leng Beng
Chairman and Managing Director

APPENDIX 1

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

Set out below are the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, with the main differences blacklined:

1. **Amended Clause 1**

1. In this Constitution, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof. Interpretation

WORDS	MEANINGS
"The Act"	The Companies Act, Chapter 50 <u>1967</u> or any statutory modification, amendment or re-enactment thereof for the time being in force.
"The Company"	Hong Leong Finance Limited.
"This Constitution"	This Constitution as from time to time altered.
"Directors"	The Directors for the time being of the Company.
"dividend"	Dividend and/or bonus.
"in writing"	Written or produced by any substitute for writing, or partly one and partly another and shall include (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Statutes) any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever.

APPENDIX 1

“Market Day”	A day on which a stock exchange upon which the shares of the Company may be listed is open for trading in securities.
“month”	Calendar month.
“Office”	The registered office of the Company.
“paid”	Paid or credited as paid.
“registered address” or “address”	In relation to any member, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly provided in this Constitution.
“Seal”	The common seal of the Company <u>or in the appropriate cases the official seal or duplicate common seal.</u>
“SGX-ST”	Singapore Exchange Securities Trading Limited, or any successor entity or body thereof for the time being.
“Statutes”	The Act and every other act for the time being in force concerning companies and/or affecting the Company.
“year”	Calendar year.

The expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Securities and Futures Act, ~~Chapter 289~~ [2001](#).

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

[For the avoidance of doubt, a Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provisions of this Constitution.](#)

References in this Constitution to “holders” of shares or a class of shares shall:-

APPENDIX 1

- (a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in this Constitution or where the term “registered holders” or “registered holder” is used in this Constitution; and
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares,

and “hold”, “holding” and “held” shall be construed accordingly.

The expressions “debenture” and “debenture-holder” shall include “debenture-stock” and “debenture-stockholder”, and the expression “Secretary” shall include any person appointed by the Directors to perform any of the duties of the Secretary.

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

Save as aforesaid, any words or expressions defined in the Act and the Interpretation Act 1965 shall if not inconsistent with the subject or context, bear the same meaning in this Constitution.

Words denoting the singular number shall include the plural number and vice versa. Words denoting the masculine gender shall include the feminine and neuter genders and vice versa. Words denoting persons shall include companies, corporations and other legal persons.

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

2. **Amended Clause 13(1)**

13. (1) The Company may by Ordinary Resolution subject to the provisions of the Statutes and the listing rules of any stock exchange upon which shares in the Company may be listed:-

Power to consolidate and sub-divide shares and cancel forfeited shares

- (a) consolidate and divide all or any of its shares;
- (b) cancel the number of shares which, at the date of the passing of the resolution, have been forfeited and diminish the amount of its capital by the number of the shares so cancelled; and

APPENDIX 1

- (c) sub-divide its shares, or any of them (subject, nevertheless, to the provisions of the Statutes and this Constitution), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have only such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to new shares.

3. Amended Clause 23

23. Every person whose name is entered as a member in the Register of Members shall be entitled to receive not later than ten Market Days (or such other period as may be approved by any stock exchange upon which the shares of the Company may be listed) of the closing date of any application for shares, or (as the case may be) the date of lodgement of a registrable transfer, one certificate in respect of each class of shares held by him for all his shares in the class or several certificates in reasonable denominations each for one or more of his shares in any one class upon payment of such fee not exceeding \$2.00 as the Directors may from time to time require for every certificate after the first. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue a new certificate or certificates for the purpose of subdividing his holding in a different manner, the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

Entitlement to certificate / Share certificate / Issue of certificate to joint holders

Every certificate shall be issued ~~under the Seal and shall bear the facsimile signatures or the autographic signatures at least~~ in such form in accordance with the requirements of ~~one Director and a/the Secretary or a second Director or such other person as may be authorised by the Directors~~ Act, and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid-up, and the amount (if any) unpaid thereon. ~~The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company.~~ No certificate shall be issued representing shares of more than one class. In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons shall be sufficient delivery to all.

4. Amended Clause 24(1) and New Clause 24(2)

24. (1) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing

Sub-division of share certificates / Requests by joint

APPENDIX 1

shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of \$2.00 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares in the Company may be listed.

holders_____/ Consolidation of share certificates

In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders.

(2) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of \$2.00 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares in the Company may be listed.

5. Amended Clause 41

41. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise.

Sale of shares subject to lien

6. Amended Clause 54

54. Any person:

Transmission of shares

(a) becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members,

(b) any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members,
or

(c) any person as properly has the management of the estate of a member whose name is entered in the Register of Members

APPENDIX 1

and: (i) who becomes mentally disordered; or (ii) whose person or estate is liable to be dealt with in any way under the law relating to mental capacity.

may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register of Members had not occurred and the notice or transfer were a transfer executed by such person.

7. Amended Clause 60(1) and New Clause 60(2)

60. ~~Save as otherwise permitted under the Act~~(1) Subject to and in accordance with the Act and the listing rules of any stock exchange upon which shares in the Company may be listed, an Annual General Meeting shall ~~(subject to any provisions of the Act relating to its first Annual General Meeting)~~ be held ~~once in every year,~~ at such time ~~(within a period of not more than 15 months after the holding of the last preceding Annual General Meeting)~~ and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

Annual meeting and extraordinary general meeting

(2) Where required by the listing rules of the SGX-ST and unless prohibited by law, all General Meetings shall be held in Singapore at such location as may be determined by the Directors.

8. New Clause 60A

60A. For the avoidance of doubt, nothing in this Constitution shall prohibit the convening of a General Meeting, or participation of the members of the Company at a General Meeting, by way of electronic means (including but not limited to electronic communication, video conferencing, teleconferencing or such other electronic means) provided that this is in accordance with the Statutes and the listing rules of the SGX-ST (where applicable).

General Meetings via electronic means

9. Amended Clause 62

62. ~~Any~~Subject to the Statutes, any General Meeting at which it is proposed to pass a Special Resolution ~~or (save as provided by the Act) a resolution of which special notice has been given to the Company~~ shall be called by 21 days' notice in writing at the least, and an Annual General Meeting and any other Extraordinary General Meeting (at which no Special

Notice of general meeting

APPENDIX 1

Resolution is proposed) by 14 days' notice in writing at the least ~~(exclusive,~~ in either case, exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held). Subject to the Statutes, the notice shall be given in the manner hereinafter mentioned to the Auditor and to all members other than such as under the provisions of this Constitution and the Act are not entitled to receive such notices from the Company; ~~Provided~~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:-

- (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,~~ being a majority together holding not less than 95 per cent. of the total voting rights of all the Members having a right to vote at that meeting.

Provided also that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

10. **New Clause 63(5)**

(5) Where special notice is required of a resolution pursuant to the Act, notice of the intention to move the resolution shall be given to the Company and notice of any General Meeting shall be called in accordance with the Act and in particular, Section 185 of the Act. [Resolutions requiring special notice](#)

11. **Amended Clause 64(d)**

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

- (a) declaring dividends;
- (b) reading, considering and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements;
- (c) appointing or re-appointing the Auditor and fixing the remuneration of the Auditor or determining the

APPENDIX 1

manner in which such remuneration is to be fixed;
and

- (d) appointing or re-appointing Directors ~~to fill vacancies arising at the meeting on retirement whether by rotation or otherwise~~ and fixing the remuneration of the Directors proposed to be paid in respect of their office as such under clause 91 and/or clause 94.

12. Amended Clause 65

65. No business other than the appointment of a Chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy or by attorney shall be a quorum for all purposes. Provided that (i) a proxy or attorney representing more than one member shall only count as one member for the purpose of determining the quorum; ~~and~~ (ii) where a member is represented by more than one proxy or attorney such proxies or attorneys shall count as only one member for the purpose of determining the quorum; and (iii) joint holders of any share shall be treated as one member.

Quorum

13. Amended Clause 71(2)

(2) Subject to clause 71(1), at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll be (before or on the declaration of the result of the show of hands) demanded by either:-

Method of voting where mandatory polling not required

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

APPENDIX 1

No poll shall be demanded pursuant to this clause 71(2) on the election of a Chairman or on a question of adjournment. A demand for a poll made pursuant to this clause 71(2) may be withdrawn, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll be so demanded (and the demand be 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 that fact without proof of the number or proportion of the votes recorded for or against such resolution.

14. Amended Clause 72(1) and New Clause 72(2)

72. (1) If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude. Votes counted in error

(2) To the extent permitted by the Act, and any other applicable laws or regulations, where a Member is required by the listing rules of the SGX-ST or a court order to abstain from voting on a resolution at a General Meeting, such Member shall not be entitled to vote on the relevant resolution and shall be required to abstain from voting his shares (including by proxy or by attorney) in respect of such resolution, and if the Member casts any votes in contravention of this clause, or if the listing rules of the SGX-ST require the Company to do so, the Company shall be entitled to disregard such votes.

15. Amended Clause 77

77. 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 by attorney. ~~Every~~ Subject to the Statutes, every member who is present in person or by proxy or by attorney shall:- How members may vote

- (a) on a poll, have one vote for every share which he holds or represents; and
- (b) on a show of hands, have one vote, provided that:-
 - (i) in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the

APPENDIX 1

Chairman of the General Meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and

- (ii) in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.

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

16. Amended Clause 78

78. In the case of joint holders of shares, any one of such persons may vote and be reckoned in quorum at any General Meeting, either personally or by proxy or by attorney as if he were solely entitled thereto, but if more than one of such persons be present at a General Meeting, the person whose name stands first on the Register of Members or (as the case may be) the Depository Register shall alone be entitled to vote, and the Company shall be entitled to disregard any votes cast by the other joint holder(s) present at the General Meeting. Several executors or administrators of a deceased member in whose name any share stands shall for the purpose of this clause be deemed to be joint holders thereof.

Voting rights of joint holders

17. Amended Clause 79

79. A member who is mentally disordered and incapable of managing himself or his affairs, or in respect of whom an order has been made by any court having jurisdiction in mental disorder, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee, curator bonis appointed by such court (who may appoint a proxy), or to exercise any other right conferred by membership in relation to meetings of the Company provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the ~~office~~Office not less than 72 hours before the time appointed for holding the meeting.

Voting rights of members who are mentally disordered

18. Amended Clause 80

80. Every member shall be entitled to be present and to vote at any General Meeting either personally or by proxy or by attorney and to be reckoned in a quorum in respect of shares fully paid and in respect of partly

Entitlement of members to vote /
Voting on a poll

APPENDIX 1

paid shares where calls are not due and unpaid. On a poll, votes may be given personally or by proxy or attorney and 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.

19. Amended Clause 82(1)

82. (1) Save as otherwise provided in the Act:-
- Appointment of
proxies
- (a) a member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy provided that if no proportion is specified, the first-named proxy shall be deemed to represent 100% of the shareholding to which the instrument of proxy relates, and the second-named proxy shall be deemed to be an alternate to the first-named proxy; and
- (b) a member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

20. Amended Clause 87

87. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or mental disorder of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office (or at such other place as may be specified for the deposit of instruments appointing proxies) at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the proxy is used.

Intervening death or
mental disorder

APPENDIX 1

21. **New Clause 87A**

87A. Subject to this Constitution, the Statutes, and the listing rules of any stock exchange upon which shares in the Company may be listed, the Directors 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 (which shall include where such person is electronically present) the option to vote *in absentia*, including but not limited to voting by mail, electronic mail or facsimile. *Voting in absentia*

22. **Amended Clause 99(1)**

99. (1) The Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors or Deputy or Assistant Managing Director (or other equivalent position) of the Company for such period not exceeding five years, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. A Director so appointed shall be subject to the same provisions as to retirement by rotation or otherwise as the other Directors of the Company. Appointment of Managing Director

23. **Amended Clause 103(1) and New Clause 103(2)**

103. (1) At each Annual General Meeting one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not. For the avoidance of doubt, a Director who is required to retire pursuant to clause 103(2) can be included in the said one-third when computing the number of Directors required to retire pursuant to this clause. Retirement of Directors ~~by rotation~~

(2) In addition to clause 103(1), every Director shall, subject to the provisions of the Statutes and where required by the listing rules of any stock exchange upon which the shares of the Company may be listed, retire from office at least once every three years.

24. **Amended Clause 104**

104. ~~The~~ For the purposes of clause 103(1), the Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day those to retire shall be determined by the Directors save for such persons who became or were last re-elected Directors on the same day. A retiring Director shall be eligible for re-election. Selection of Directors to retire

25. **Amended Clause 106**

106. AFor as long as the listing rules of the SGX-ST so require,
a person who is not a retiring Director shall, unless recommended by the Directors for election, only be eligible for appointment as a Director at any General Meeting if not less than 11 clear days nor more than 42 clear days (exclusive of the date on which the notice is given) before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed giving his consent to the nomination and signifying his candidature for the office. Provided that in the case of a person recommended by the Directors for election nine clear days' notice only shall be necessary and notice of each and every candidate for election shall be served on all members at least seven days prior to the meeting at which the election is to take place.

Notice of intention to
appoint Director

26. **Amended Clause 107**

107. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director before the expiration of his period of office, notwithstanding any provision of this Constitution or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement and appoint another person in place of a Director so removed from office and any person so appointed shall be subject to retirement by rotation or otherwise 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. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.

Removal of Directors

27. **Amended Clause 108**

108. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with this Constitution. 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 or otherwise at such meeting.

Directors' power to
fill casual vacancies
and appoint
additional Directors

APPENDIX 1

28. Amended Clause 109(3)

(3) An alternate Director shall *ipso facto* cease to be alternate Director on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director for any reason, except retirement by rotation or otherwise and immediate re-election. All appointments and removal of alternate Directors shall be effected by writing under the hand of the Director making or revoking such appointment left at the Office or delivered at a meeting of the Directors. A person shall not act as alternate Director to more than one Director at the same time.

Determination of appointment of alternate Directors

29. Amended Clause 124

124. The Directors may from time to time and at any time by power of attorney under the ~~seal~~ Seal (if any) appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Directors may appoint Attorneys

30. Amended Clause 127

127. The Directors shall provide for the safe custody of the Seal (if any), 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 (subject to the provisions of this Constitution as to certificates for shares) be signed ~~autographically~~ by two Directors, or by one Director and a/the Secretary or some other person appointed by the Directors in place of a/the Secretary for the purpose, ~~save that as regards any certificates for debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature or other method approved. For the avoidance of doubt, nothing in this clause 127 shall prevent or prohibit the execution by the Company of deeds and documents (including, without limitation, those required to be under or executed under the common seal of a company) in any manner as may be permitted~~ by the Directors Act.

Seal / Affixing seal

31. New Clause 142A

142A. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such

Waiver of dividends

APPENDIX 1

document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy or otherwise of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

32. Amended Clause 144

144. 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 appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy or otherwise of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. 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 or otherwise of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn 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. Notwithstanding the foregoing provisions of this clause and the provisions of clause 146, 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 liability to the Depositor in respect of that payment.

Dividends payable
by cheque or warrant
/ Payment to
Depository good
discharge

33. Amended Clause 145

145. If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy or otherwise of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

Payment of
dividends to joint
holders

34. New Clause 147A

147A. (a) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

Scrip dividend
scheme

APPENDIX 1

- (i) the basis of any such allotment shall be determined by the Directors;
- (ii) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this clause;
- (iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded, provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (iv) 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 the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and in lieu and in satisfaction thereof shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of clause 149, the Directors shall capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

APPENDIX 1

(b) The shares of the relevant class allotted pursuant to the provisions of clause 147A(a) shall rank *pari passu* in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

Ranking of shares

(c) The Directors may, on any occasion when they resolve as provided in clause 147A(a), determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of clause 147A shall be read and construed subject to such determination.

Record date

(d) The Directors may, on any occasion when they resolve as provided in clause 147A(a), further determine that:

Eligibility

(i) no allotment of shares or rights of election for shares under clause 147A(a) 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 entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared; and

(ii) no allotment of shares or rights of election for shares under clause 147A(a) shall be made available or made to a person, or any persons, if such allotment or rights of election would in the opinion of the Directors cause such person, or such persons, to hold or control voting shares in excess of any shareholding or other limits which may from time to time be prescribed in any Statute, without the approval of the applicable regulatory or other authority as may be necessary.

(e) Notwithstanding the foregoing provisions of this clause, if at any time after the Directors' resolution to apply the provisions of clause 147A(a) in relation to any dividend but prior to the allotment of 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

Disapplication

APPENDIX 1

implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of clause 147A(a).

(f) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of clause 147A(a), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).

Fractional entitlements

35. Amended Clause 154

154. The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the ~~Act~~Statutes and the listing rules of the SGX-ST.

Accounting records

36. Amended Clause 158

158. A copy of the financial statements and, if required, the balance sheet (including every document required by law to be attached thereto), which is duly audited and which is to be laid before the Company in General Meeting accompanied by a copy of the Auditor's report thereon and the statement of the Directors, shall not less than 14 days before the date of the meeting be sent to every member and to every other person who is entitled to receive notices of General Meetings from the Company under the provisions of the Statutes or of this Constitution, ~~Provided~~provided that:-

Copies of financial statements

- (a) these documents may, subject to the listing rules of any stock exchange upon which shares in the Company may be listed, be sent less than 14 days before the date of the General Meeting if all persons entitled to receive notices of General Meetings from the Company so agree; and
- (b) this clause shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of joint holders, 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. The requisite number of copies of each such document shall at the same time be forwarded to each stock exchange upon which the shares in the Company may be listed.

37. Amended Clause 163(5)

(5) Where a notice or document is given, sent or served to a member by making it available on a website pursuant to clause 163(2)(b) and where required by the listing rules of any stock exchange upon which shares in the Company may be listed, the Company shall give separate notice to the member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by ~~any one or more of the following means:-~~

Notice to be given of service on website

~~(a) by sending such separate notice to the member personally or through the post pursuant to clause 163(1);~~

~~(b) by sending such separate notice to the member using electronic communications to his current address pursuant to clause 163(2)(a);~~

~~(c) by way of advertisement in the daily press; and/or~~

~~(d) by way of announcement on any stock exchange upon which shares in the Company may be listed.~~

38. Amended Clause 167

167. A person entitled to a share in consequence of the death or bankruptcy or otherwise of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy or otherwise would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member or given, sent or served to any member using electronic communications in pursuance of this Constitution shall, notwithstanding that such member be then dead or bankrupt or in liquidation or otherwise not entitled to such share, and whether or not the Company shall have notice of ~~his death or bankruptcy or liquidation~~ the same, be deemed to have been duly served or delivered in respect of any share registered in the name of such member in the Register of Members or, where such member is a Depositor, entered against his name in the Depository Register as sole or first-named joint holder.

Service of notices after death, bankruptcy, etc.

39. **Amended Clause 170(3)**

(3) In the event of a winding up of the Company every member of the Company who is not for the time being in Singapore shall be bound, within 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 member by advertisement in any leading daily newspaper in the English language in circulation 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 or (as the case may be) the Depository Register or given, sent or served to any member using electronic communication in pursuance of this Constitution, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted or the electronic communication is transmitted.

Member outside
Singapore

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