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SRE GROUP LTD.

SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

China New Town Development Company Limited (“CNTD”), a company listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and a 61.54% owned subsidiary of SRE Group Limited, has on 11 August 2010 released to the SGX-ST the announcements titled “Notice of Extraordinary General Meeting”, “Despatch of Circular dated 12 August 2010 and Notice of Extraordinary General Meeting” and a circular dated 12 August 2010. The followings are reproductions of such announcements and circular of CNTD for information purpose only.

On behalf of the Board of Directors of

SRE Group Limited

Shi Jian

Chairman

Hong Kong, 11 August 2010

As at the date hereof, the Board comprises six executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong, Mr. Shi Pin Ren and Mr. Yue Wai Leung, Stan; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong and three independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. E Hock Yap and Mr. Pan Long Qing.

* For identification purpose only



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

(Incorporated as a company limited by shares under the laws of the British Virgin Islands)

(Company Registration Number 1003373)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of China New Town Development Company Limited (the "**Company**") will be held at Pan Pacific Singapore, Ocean 11, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 3 September 2010 at 9.30 a.m. for the purpose of considering, and if thought fit, passing, with or without modifications:

ORDINARY RESOLUTION 1 – DUAL PRIMARY LISTING OF ALL ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "SHARES") IN ISSUE ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "SEHK") BY WAY OF INTRODUCTION (THE "INTRODUCTION")

That subject to and contingent upon the passing of Ordinary Resolution 2, Ordinary Resolution 4, Ordinary Resolution 6 and Special Resolution 1:

- the dual primary listing of all Shares in issue on the SEHK by way of introduction and all matters relating thereto be approved and authorised; and
- the Company and any director of the Company ("**Director**") be authorised to take all necessary steps, to do all such acts and things and sign all such documents and deeds (including approving any matters in relation to the Introduction) as they may consider necessary, desirable or expedient to give effect to or carrying into effect this Ordinary Resolution, provided where the Company seal is required to be affixed to the documents and deeds, such documents and deeds shall be signed and the Company seal shall be affixed in accordance with the Articles of Association of the Company (the "**Articles**").

ORDINARY RESOLUTION 2 – TERMINATION OF THE CNTD SHARE OPTION SCHEME (THE "SCHEME") AND THE CNTD PERFORMANCE SHARE PLAN (THE "PLAN")

That the termination of the Scheme and the Plan be and is hereby approved and shall take effect upon the approval of the shareholders of the Company (the "**Shareholders**").

ORDINARY RESOLUTION 3 – ADOPTION OF THE NEW 2010 CNTD SHARE OPTION SCHEME (THE "NEW SCHEME")

That subject to and contingent upon the passing of Ordinary Resolution 2, the New Scheme under which options ("**Share Options**") may be granted to Participants (as defined in the rules of the New Scheme (the "**Rules**")) to subscribe for ordinary shares in the capital of the Company ("**Shares**"), particulars of which are set out in the circular dated 12 August 2010 (the "**Circular**") issued by the Company to the Shareholders, be and is hereby approved and shall be adopted and take effect only upon satisfaction of, to the extent applicable, all the conditions to the New Scheme as set out in paragraph 3 of the Rules, and that the Directors be and are hereby authorised:

- to establish and administer the New Scheme;
- to modify and/or amend the New Scheme from time to time provided that such modification and/or amendment is effected in accordance with the Rules, and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Scheme; and
- to offer and grant Share Options to selected Participants in accordance with the Rules and to allot, issue or deal with from time to time such number of Shares as may be required to be allotted, issued or dealt with pursuant to the exercise of Share Options under the New Scheme.

ORDINARY RESOLUTION 4 – REVOCATION OF THE SHARE PURCHASE MANDATE (AS DEFINED IN THE CIRCULAR)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 6 and Special Resolution 1, the revocation of the Share Purchase Mandate be and is hereby approved and shall take effect upon the listing of the Shares on the Main Board of the SEHK.

ORDINARY RESOLUTION 5 – GRANT OF THE NEW SHARE PURCHASE MANDATE (AS DEFINED BELOW)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 4, Ordinary Resolution 6 and Special Resolution 1:

- pursuant to Article 3A of the New Articles (as defined below), the exercise by the Directors of all the powers of the Company to purchase, redeem or otherwise acquire Shares not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - on-market purchase(s) ("**Market Purchase**"), transacted on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") or the SEHK through the ready market, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme, as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all conditions prescribed by the BVI Business Companies Act 2004 (as amended) (the "**BVI Act**");

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the BVI Act, the Listing Manual of the SGX-ST (the "**Listing Manual**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**") and the Hong Kong Code on Share Repurchases as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**New Share Purchase Mandate**");

- unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors pursuant to the New Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the listing of the Shares on the SEHK and expiring on:

- conclusion of the next annual general meeting of the Company;
 - the date by which the next annual general meeting is required to be held;
 - the date on which the purchases or acquisitions of Shares pursuant to the New Share Purchase Mandate have been carried out to the full extent mandated; or
 - the date on which the authority conferred by the New Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting, whichever is the earliest;
- in this ordinary resolution:

"**Maximum Limit**" means that number of issued shares representing 10.0% of the total number of issued Shares immediately following the completion of the Introduction;

"**Maximum Price**," in relation to a Share to be purchased, redeemed or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- in the case of a Market Purchase, 105.0% of the Average Closing Price (hereinafter defined); and
- in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Highest Last Deal Price,

where:

"**Average Closing Price**" means the average of the closing market prices of a Share for the five consecutive Market Days ("**Market Day**") being a day on which the SGX-ST or the SEHK, as the case may be, is open for trading in securities) on which the Shares are transacted on the SGX-ST or the SEHK, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the Listing Manual or the HK Listing Rules, as the case may be, for any corporate action which occurs after the relevant five-Market Day period;

"**Highest Last Deal Price**" means the highest price transacted for a Share as recorded on the SGX-ST or the SEHK, as the case may be, on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase;

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

"**Depositor**," "**Depository**" and "**Depository Agent**" shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act (Chapter 50 of Singapore) or any statutory modification thereof, as the case may be; and

"**Shareholder**" means a duly registered holder from time to time of the shares in the capital of the Company; and

- the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this ordinary resolution.

ORDINARY RESOLUTION 6 – REVOCATION OF THE SHARE ISSUE MANDATE (AS DEFINED IN THE CIRCULAR)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 4 and Special Resolution 1, the revocation of the Share Issue Mandate be and is hereby approved and shall take effect upon the listing of the Shares on the SEHK.

ORDINARY RESOLUTION 7 – GRANT OF THE NEW SHARE ISSUE MANDATE (AS DEFINED IN THE CIRCULAR)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 6, Ordinary Resolution 8 and Special Resolution 1:

- subject to paragraph (c) below and to the HK Listing Rules and the Listing Manual, the exercise by the Directors during the Relevant Period (as hereinafter defined in this Ordinary Resolution) of all the powers of the Company to allot, issue and deal with any unissued Shares and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;

- the approval in paragraph (a) shall authorise the Directors during the Relevant Period (as hereinafter defined in this Ordinary Resolution) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the Shares to be issued either during or after the end of the Relevant Period;

- the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above shall not exceed 50.0% of the aggregate of the total number of Shares in issue (as adjusted in accordance with paragraph (d) below), of which the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued otherwise than on a pro rata basis to existing Shareholders (including pursuant to a Rights Issue (as hereinafter defined in this Ordinary Resolution)), shall not exceed 20.0% of the aggregate of the total number of Shares in issue immediately following completion of the Introduction, and the said approval shall be limited accordingly; and

- subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Shares allotted or agreed to be conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors on a pro rata basis (including a Rights Issue), the total number of Shares in issue shall be based on the total number of Shares in issue immediately following completion of the Introduction after adjusting for:

- new Shares arising from the conversion or exercise of convertible securities subsisting immediately following completion of the Introduction;
- new Shares arising from exercising options or vesting of share awards outstanding or subsisting immediately following completion of the Introduction, provided the options or awards were granted in compliance with the rules of the Listing Manual; and
- any subsequent bonus issue, consolidation or subdivision of Shares.

For the purpose of this Ordinary Resolution:

- "**Relevant Period**" means the period from the date of listing of the Shares on the SEHK until whichever is the earliest of:
 - the conclusion of the next annual general meeting of the Company;
 - the expiration of the period within which the next annual general meeting of the Company is required by the New Articles or any other applicable laws of the British Virgin Islands to be held; and
 - the passing of an ordinary resolution by Shareholders in general meeting revoking, varying or renewing the authority given to the directors of the Company by this Ordinary Resolution; and

- "**Rights Issue**" means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities), (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).

SPECIAL RESOLUTION 1 – ADOPTION OF NEW ARTICLES OF ASSOCIATION (THE "NEW ARTICLES") BY THE COMPANY

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 4 and Ordinary Resolution 6, the New Articles (a copy of which is available for inspection at the office of the Company's Singapore Share Transfer Agent and is also marked "A" and signed by the chairman of the meeting and produced to the meeting for identification purpose), which contain all the proposed amendments as set out in Appendix 4 to the Circular, be and are hereby approved and shall be adopted and take effect as the new Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles upon shall take effect from the date that the New Articles are registered by the Registrar of Corporate Affairs in the BVI.

By Order of the Board

Low Siew Tian

Company Secretary

China New Town Development Company Limited

Dated: 12 August 2010

Notes:

- A member of the Company (other than the Depository) entitled to attend and vote at the 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.
- Depositors whose names appear in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore) and who are unable to attend personally but wishes to appoint a nominee to attend and vote on his behalf, and such Depositors who are not individuals, should complete the enclosed Depositor Proxy Form and lodge the same at the office of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00 PWC Building, Singapore 048424 not less than 48 hours before the time appointed for the holding of the meeting.
- If a Shareholder wishes to appoint a proxy or proxies, then the enclosed Shareholder Proxy Form must be completed and deposited at the office of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00 PWC Building, Singapore 048424 not less than 48 hours before the time appointed for the holding of the meeting.
- Where a member appoints more than one proxy or more than one appointee as the Depository's proxies, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy or appointee, as the case may be.
- The instrument appointing a proxy or proxies must be under the hand of the appointor or of 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 a duly authorised officer.



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

(Incorporated as a company limited by shares under the laws of the British Virgin Islands)
(Company Registration Number: 1003373)

**DESPATCH OF CIRCULAR DATED 12 AUGUST 2010 AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Further to the announcements issued by China New Town Development Company Limited (the "**Company**") on 19 July 2010 and 6 August 2010, the board of directors of the Company wishes to announce that the Company will on 12 August 2010 despatch to the shareholders of the Company (the "**Shareholders**") a circular dated 12 August 2010 (the "**Circular**") which contains, *inter alia*, a notice for convening an Extraordinary General Meeting (the "**EGM**") on Friday, 3 September 2010 at 9:30 a.m. at Pan Pacific Singapore, Ocean 11, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 for the purposes of seeking Shareholders' approval on the proposals referred to in the Notice of EGM.

Unless otherwise defined, all capitalised terms used in this Announcement shall bear the respective meanings described thereto in the Circular.

The Notice of EGM and details of the proposals to be tabled at the EGM are set out in the Circular, a copy of which is attached to this Announcement.

Shareholders who do not receive the Circular within a week from the date hereof should contact the Company's Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00, PWC Building, Singapore 048424.

By order of the Board

Song YiQing

Chief Financial Officer / Executive Director

11 August 2010

CIRCULAR DATED 12 AUGUST 2010

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all your ordinary shares in the capital of China New Town Development Company Limited (the "**Company**"), please forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Forms (as defined herein) immediately to the purchaser or transferee or to the 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 (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

(Incorporated as a company limited by shares under the laws of the British Virgin Islands)
(Company Registration Number 1003373)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- (1) **THE PROPOSED DUAL PRIMARY LISTING OF ALL ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "SHARES") IN ISSUE ON THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "SEHK") BY WAY OF INTRODUCTION (THE "INTRODUCTION")**;
- (2) **THE PROPOSED TERMINATION OF THE CNTD SHARE OPTION SCHEME (THE "SCHEME") AND THE CNTD PERFORMANCE SHARE PLAN (THE "PLAN")**;
- (3) **THE PROPOSED ADOPTION OF THE NEW 2010 CNTD SHARE OPTION SCHEME (THE "NEW SCHEME")**;
- (4) **THE PROPOSED REVOCATION OF THE SHARE PURCHASE MANDATE (AS DEFINED HEREIN)**
- (5) **THE PROPOSED GRANT OF THE NEW SHARE PURCHASE MANDATE (AS DEFINED HEREIN)**;
- (6) **THE PROPOSED REVOCATION OF THE SHARE ISSUE MANDATE (AS DEFINED HEREIN)**;
- (7) **THE PROPOSED GRANT OF THE NEW SHARE ISSUE MANDATE (AS DEFINED HEREIN); AND**
- (8) **THE PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION (THE "NEW ARTICLES") BY THE COMPANY**

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Forms	:	1 September 2010 at 9.30 a.m.
Date and time of Extraordinary General Meeting	:	3 September 2010 at 9.30 a.m.
Place of Extraordinary General Meeting	:	Pan Pacific Singapore Ocean 11, Level 2 7 Raffles Boulevard Marina Square Singapore 039595

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated and the context otherwise requires:

“Adoption Date”	:	The date on which the New Scheme takes effect upon the satisfaction of all conditions under paragraph 3 of the Rules (where applicable), details of which are set out in paragraphs 1.3 and 5.4 of this Circular
“Articles”	:	The existing Articles of Association of the Company
“Associated Company”	:	For the purposes of the New Scheme, shall mean a company in which at least 20.0% but not more than 50.0% of its shares are held by the Company or Group, and over which the Company has control
“associates”	:	Has the meaning ascribed to it under the HK Listing Rules, the Listing Manual or any other publication prescribing rules or regulations for corporations admitted to the Official List of the SGX-ST (as modified, supplemented or amended from time to time)
“Average Closing Price”	:	Has the meaning ascribed to it under paragraph 6.2(b)(iv) of this Circular
“Board”	:	The board of Directors
“Bridging Dealer”	:	Standard Chartered Securities (Hong Kong) Limited
“Bridging Period”	:	The 30-day period from and including the Listing Date
“BVS”	:	Book value per Share
“BVI Act”	:	The Business Companies Act, 2004 of the British Virgin Islands as amended, supplemented or otherwise modified from time to time
“CCASS”	:	The Central Clearing and Settlement System established and operated by HKSCC
“CCASS Rules”	:	General Rules of CCASS and CCASS Operational Procedures in effect from time to time
“CDP”	:	The Central Depository (Pte) Limited or its nominee(s), as the case may be
“Circular”	:	This circular dated 12 August 2010 despatched to the Shareholders in respect of the EGM

“CNTD Management Grant”	:	The share incentive scheme implemented by the Company on 5 July 2007 whereby certain key management executives of the Company were granted awards of Shares as an incentive for their continued service to the Company
“Committee”	:	The Remuneration Committee of the Company, or such other committee comprising Directors duly authorised and appointed by the Board to administer the New Scheme
“Company”	:	China New Town Development Company Limited
“Controlling Shareholder”	:	A person who (a) holds directly or indirectly 15.0% or more of the issued share capital of the Company; or (b) in fact exercises control over the Company
“date of the making of the offer”	:	Has the meaning ascribed to it in paragraph 6.2(b)(iv) of this Circular
“Depositor Proxy Form”	:	Has the meaning ascribed to it in paragraph 17 of this Circular
“Directors”	:	The directors of the Company as at the date of this Circular
“EGM”	:	The extraordinary general meeting of Shareholders to be held on 3 September 2010 at 9.30 a.m. at Pan Pacific Singapore, Ocean 11, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595, notice of which is attached to this Circular
“EPS”	:	Earnings per Share
“FY”	:	Financial year ended or ending 31 December
“Grantee”	:	Any Participant who accepts an Offer in accordance with the Rules or (where the context so permits) the legal personal representative(s) entitled to any such Share Option in consequence of the death of the original Grantee
“Group”	:	The Company, its subsidiaries and its Associated Companies (as they may exist from time to time)
“Highest Last Dealt Price”	:	Has the meaning ascribed to it in paragraph 6.2(b)(iv) of this Circular

“HKCO”	:	Companies Ordinance, Chapter 32 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“HKSCC”	:	Hong Kong Securities Clearing Company Limited
“HK Listing Rules”	:	The Rules Governing the Listing of Securities on the SEHK, as amended, supplemented or modified from time to time
“HK Repurchase Code”	:	The Code on Share Repurchases of Hong Kong, as amended, supplemented or modified from time to time
“HK Scheme Provisions”	:	The provisions under the HK Listing Rules, which prescribe various mandatory requirements to share option schemes of issuers listed on the SEHK and their subsidiaries
“HK Takeovers Code”	:	The Code on Takeovers and Mergers of Hong Kong, as amended, supplemented or modified from time to time
“Hong Kong”	:	The Hong Kong Special Administrative Region of the PRC
“IFRS”	:	International Financial Reporting Standards
“Introduction”	:	The dual primary listing of all Shares in issue on the Main Board of the SEHK by way of introduction
“Joint Policy Statement”	:	Joint Policy Statement Regarding the Listing of Overseas Companies issued jointly by the SFC and the SEHK on 7 March 2007
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 5 August 2010
“Listing Date”	:	The date on which dealings of the Shares on the Main Board of the SEHK first commence
“Listing Document”	:	The listing document to be issued by the Company in connection with the Introduction
“Listing Manual”	:	Listing Manual of the SGX-ST
“Lock-up Period”	:	The period commencing on the date of the Listing Document and ending on the date which is six months from the Listing Date
“Market Day”	:	Being a day on which the SGX-ST or the SEHK, as the case may be, is open for trading in securities

“Market Purchase”	:	Has the meaning ascribed to it in paragraph 6.2(b)(iii) of this Circular
“Maximum Price”	:	Has the meaning ascribed to it in paragraph 6.2(b)(iv) of this Circular
“Memorandum”	:	The Memorandum of Association of the Company as amended, supplemented or modified from time to time
“New Articles”	:	The new Articles of Association proposed to be adopted by the Company, incorporating the amendments to the Articles as set out in Appendix 4 to this Circular
“New Scheme”	:	The new 2010 CNTD Share Option Scheme proposed to be adopted by the Company at the EGM, the rules of which are set out in Appendix 3 to this Circular
“New Share Issue Mandate”	:	The new general share issue mandate proposed to be granted by the Shareholders to the Directors to authorise the Directors to issue Shares, details of which are set out in paragraph 7.2 of this Circular and the Notice of EGM
“New Share Purchase Mandate”	:	The new general share purchase mandate proposed to be granted by the Shareholders that authorises the Directors to purchase Shares in accordance with the terms out in this Circular as well as the rules and regulations set forth in the BVI Act, the Listing Manual and the HK Listing Rules
“Off-Market Purchase”	:	Has the meaning ascribed to it in paragraph 6.2(b)(iii) of this Circular
“Offer”	:	The offer of the grant of a Share Option made by the Committee in accordance with paragraph 5 of the Rules
“Offer Date”	:	The date on which an Offer is made to a Participant in accordance with paragraph 5.3 of the Rules
“Option Period”	:	In respect of any particular Share Option granted, the period during which such Share Option may be exercised as determined by the Committee at its absolute discretion and notified by the Committee to the Grantee of such Share Option, provided that such period shall not commence until after the first anniversary of the Offer Date and shall not be longer than 10 years from the Offer Date

“Parent Company”	:	A company being the holding company of the Company designated by the Committee for the purposes of the New Scheme, where no such holding company exists, the single largest corporate shareholder for the time being of the Company designated by the Committee for the purposes of the New Scheme and approved by the SGX-ST
“Parent Group”	:	The Parent Company and such of the Parent Company’s subsidiaries as are designated by the Committee for the purposes of the New Scheme (but, where applicable, excluding the Group)
“Parent Group Participant”	:	Any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of any member of the Parent Group who, in the opinion of the Committee, has contributed to the success and development of the Group
“Participant”	:	Any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of any member of the Group or any Parent Group Participants
“Plan”	:	The CNTD Performance Share Plan adopted by the Company at an extraordinary general meeting held on 23 April 2008
“PRC” or “China”	:	The People’s Republic of China which, for the purpose of this Circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Proxy Forms”	:	The Shareholder Proxy Form and the Depositor Proxy Form
“Registration Date”	:	Seven days prior to the Listing Date
“Related Matters”	:	The proposed termination of the Scheme and the Plan, the proposed adoption of the New Scheme, the proposed revocation of the Share Purchase Mandate, the proposed grant of the New Share Purchase Mandate, the proposed revocation of the Share Issue Mandate, the proposed grant of the New Share Issue Mandate, and the proposed adoption of the New Articles, being matters which are related to the Introduction, and for which approval of the Shareholders are being sought
“Relevant Period”	:	Has the meaning ascribed to it in paragraph 7.2 of this Circular

“Renounceable Rights Issue”	:	Has the meaning ascribed to it in paragraph 1.5 of this Circular
“Repurchase”	:	The repurchase by Sinowpower from the Bridging Dealer of Shares sold by Sinowpower under the Sale
“Rights Issue”	:	Has the meaning ascribed to it in paragraph 7.2 of this Circular
“RMB”	:	PRC Renminbi, the lawful currency of the PRC
“ROE”	:	Return on equity
“Rules”	:	The rules of the New Scheme, as set out in Appendix 3 to this Circular
“Sale”	:	The sale of Shares by Sinowpower pursuant to the Sale and Repurchase Agreement
“Sale and Repurchase Agreement”	:	The sale and repurchase agreement to be entered into between Sinowpower and the Bridging Dealer
“Scheme”	:	The CNTD Share Option Scheme adopted by the Company at an extraordinary general meeting held on 23 April 2008
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SEHK”	:	The Stock Exchange of Hong Kong Limited
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, supplemented or otherwise modified from time to time
“SFC”	:	The Securities and Futures Commission of Hong Kong
“SFO”	:	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	Singapore Exchange Securities Trading Limited Network, a system network used by companies listed on the SGX-ST in sending information and announcements to the SGX-ST
“Share Option”	:	The right to subscribe for Shares granted pursuant to the terms of the New Scheme

“Share Issue Mandate”	:	The general mandate given by Shareholders at the annual general meeting held on 30 April 2010 to the Directors authorising the Directors to issue Shares and/or make or grant offers, agreements or options that might or would require Shares to be issued in accordance with the terms set out in the resolution approving such mandate and in compliance with the requirements imposed by the SGX-ST, the provisions of the Listing Manual, all applicable legal requirements and the Articles
“Share Purchase Mandate”	:	The general and unconditional mandate given by Shareholders at the extraordinary general meeting held on 30 April 2010 that authorise the Directors to purchase Shares in accordance with the terms set out in the circular to Shareholders dated 14 April 2010, the rules and regulations set forth in the BVI Business Companies Act 2004, as amended or modified from time to time, and the Listing Manual
“Shareholder Proxy Form”	:	Has the meaning ascribed to it in paragraph 17 of this Circular
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose Securities Accounts are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Singapore”	:	The Republic of Singapore
“Singapore Code”	:	The Singapore Code on Take-overs and Mergers
“Singapore Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, supplemented or otherwise modified from time to time
“Singapore Share Transfer Agent”	:	The Singapore share transfer agent of the Company, currently being Tricor Barbinder Share Registration Services, a company incorporated in Singapore
“Sinopower”	:	Sinopower Investment Limited
“Sponsor”	:	Standard Chartered Securities (Hong Kong) Limited, who has been appointed as sponsor in respect of the Introduction
“SRE Group”	:	SRE Group Limited

“SRE Investment”	:	SRE Investment Holding Limited
“Stock Borrowing and Lending Agreement”	:	The stock borrowing and lending agreement to be entered into between the Bridging Dealer and Sinopower
“Subscription Price”	:	means the price per Share at which a Grantee may subscribe for Shares on the exercise of a Share Option pursuant to paragraph 6 of the Rules
“Substantial Shareholder”	:	A person who has an interest in not less than 5.0% of the issued voting Shares of the Company

The expressions **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the respective meanings ascribed to them in Section 130A of the Singapore 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 the neuter genders and *vice versa*. Words importing persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

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

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

(Incorporated as a company limited by shares under the laws of the British Virgin Islands)
(Company Registration Number 1003373)

LETTER TO SHAREHOLDERS

Directors:

Mr Shi Jian (*Executive Chairman*)
Mr Li Yao Min (*Co-Vice Chairman and Chief Executive Officer, Executive Director*)
Mr Yue Wai Leung, Stan (*Co-Vice Chairman, Non-Independent Non-Executive Director*)
Ms Gu Bi Ya (*Chief Operating Officer, Executive Director*)
Ms Song Yi Qing (*Chief Financial Officer, Executive Director*)
Mr Mao Yi Ping (*Vice President, Executive Director*)
Mr Yang Yong Gang (*Vice President, Executive Director*)
Mr Shi Janson Bing (*Vice President, Executive Director*)
Mr Henry Tan Song Kok (*Lead Independent Non-Executive Director*)
Mr Loh Weng Whye (*Independent Non-Executive Director*)
Mr Lam Bing Lun, Phillip (*Independent Non-Executive Director*)
Mr Kong Siu Chee (*Independent Non-Executive Director*)

Registered Agent and Registered Office:

Tricor Services (BVI) Limited
2/F Palm Grove House
P.O. Box 3340
Road Town, Tortola
British Virgin Islands

12 August 2010

To: The Shareholders of China New Town Development Company Limited

Dear Sir/Madam,

1. INTRODUCTION

The purpose of this Circular is to provide Shareholders with information relating to the Introduction and the proposed termination of the Scheme and the Plan, the proposed adoption of the New Scheme, the proposed revocation of the Share Purchase Mandate, the proposed grant of the New Share Purchase Mandate, the proposed revocation of the Share Issue Mandate, the proposed grant of the New Share Issue Mandate, and the proposed adoption of the New Articles (the "**Related Matters**"), and to seek their approval for the proposals referred to in paragraph 1.7 below to be tabled at the EGM.

1.1 Proposed dual primary listing of all Shares in issue on the SEHK by way of Introduction

On 12 May 2010 and 8 July 2010, the Company announced that it intends to seek a dual primary listing of all its Shares in issue on the Main Board of the SEHK by way of introduction. The proposed listing of all its Shares in issue on the SEHK by way of introduction is conditional upon, *inter alia*, approvals being obtained from the relevant authorities.

Copies of the announcements made by the Company on 12 May 2010 and 8 July 2010 relating to the proposed Introduction are available on the website of the SGX-ST at <http://www.sgx.com>.

1.2 Proposed termination of the Scheme and the Plan

The rules of the Scheme and the Plan currently do not fully comply with the HK Scheme Provisions. In addition, the HK Scheme Provisions are applicable to subsidiaries of issuers listed on the SEHK. The Company became a subsidiary of SRE Group, which is a company listed on the SEHK, since 29 December 2009. This was a result of a reduction in the Company's issued share capital further to a series of share repurchases of a total of 55,168,000 Shares by the Company between 11 December 2009 and 29 December 2009. The reduction in the Company's issued share capital resulted in an increase in the shareholding percentage of SRE Group in the Company. Therefore, the HK Scheme Provisions apply to the Company. Accordingly, no further share options under the Scheme and share awards under the Plan will be granted. To comply with the HK Scheme Provisions and in view of the proposed Introduction, the Company is proposing to terminate the Scheme and the Plan.

The termination of the Scheme and the Plan is subject to Shareholders' approval and is proposed as an ordinary resolution at the EGM. In addition, the proposed termination of the Scheme and the Plan, if approved by the Shareholders, shall take effect upon approval of the Shareholders.

1.3 Proposed adoption of the New Scheme

As substitution for the Scheme and the Plan, the Company is proposing to adopt the New Scheme. The rules of the New Scheme are set out in Appendix 3 to this Circular. The New Scheme complies with the applicable rules under Chapter 8 of the Listing Manual and Chapter 17 of the HK Listing Rules.

The adoption of the New Scheme is subject to:

- (a) the SGX-ST granting listing of, and permission to deal in, the new Shares to be allotted and issued upon exercise of any Share Options which may be granted under the New Scheme,
- (b) Shareholders' approval;
- (c) the approval of shareholders of SRE Group, a company listed on the SEHK, as the Company is a subsidiary of SRE Group; and
- (d) (in the event that the Shares are to be listed on the SEHK) the Listing Committee of the SEHK granting approval of the listing of, and permission to deal in, the Shares in issue and the new Shares to be allotted and issued upon exercise of any Share Options which may be granted under the New Scheme,

and is proposed as an ordinary resolution at the EGM. The proposed adoption of the New Scheme, shall take effect only upon the satisfaction of the conditions referred to in (a) to (c) and (if applicable) (d) above. For the avoidance of doubt, in the event the Company decides not to proceed with the Introduction for any reason, the New Scheme will take effect from the date conditions (a) to (c) are satisfied or the date the Company decides not to proceed with the Introduction, whichever is later.

1.4 Proposed revocation of the Share Purchase Mandate and grant of the New Share Purchase Mandate

The terms of the Share Purchase Mandate grant to the Directors, among others, the power to make on-market Share repurchases on the SGX-ST. In view of the proposed Introduction, the Company is proposing to revoke the Share Purchase Mandate and to grant to the Directors the New Share Purchase Mandate to provide for, *inter alia*, on-market Share repurchases on both the SGX-ST and the SEHK.

The revocation of the Share Purchase Mandate and the grant of the New Share Purchase Mandate are subject to Shareholders' approval and are proposed as two separate ordinary resolutions at the EGM. In addition, the proposed revocation of the Share Purchase Mandate and the grant of the New Share Purchase Mandate, if approved by the Shareholders, shall take effect only upon listing of the Shares on the Main Board of the SEHK. For the avoidance of doubt, Share repurchases may still be made by the Company pursuant to the Share Purchase Mandate prior to the listing of the Shares on the Main Board of the SEHK.

1.5 Proposed revocation of the Share Issue Mandate and the grant of the New Share Issue Mandate

Pursuant to the "Further Measures to Facilitate Fund Raising" introduced by the SGX-ST on 19 February 2009, which are effective from 20 February 2009 to 31 December 2010, the Company granted the Share Issue Mandate, which provides, among others, that the aggregate number of Shares to be issued pursuant to the Share Issue Mandate by way of a renounceable rights issue on a pro rata basis to Shareholders (including Shares to be issued in pursuance of instruments made or granted pursuant to the Share Issue Mandate) (the "**Renounceable Rights Issue**") shall not exceed 100% of the total number of issued Shares. However, under the HK Listing Rules, if a proposed rights issue would increase either the issued share capital or market capitalisation of a listed issuer by more than 50.0% (on its own or when aggregated with any other rights issues or open offers announced by the listed issuer within the 12-month period immediately preceding the announcement of the proposed rights issue, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers), then the rights issue must be made conditional on approval of shareholders in general meeting. Accordingly, after completion of the proposed Introduction, Shares which may be issued pursuant to a share issue mandate by way of Renounceable Rights Issues should not exceed 50.0% of the total number of issued Shares. This is also consistent with Rule 806 of the Listing Manual.

Since the Share Issue Mandate does not fully comply with the provisions under the HK Listing Rules and in view of the proposed Introduction, the Company is proposing to revoke the Share Issue Mandate granted to the Directors on 30 April 2010 and to grant to the Directors the New Share Issue Mandate.

The revocation of the Share Issue Mandate and the grant of the New Share Issue Mandate are subject to Shareholders' approval and are proposed as two separate ordinary resolutions at the EGM. In addition, the proposed revocation of the Share Issue Mandate and the grant of the New Share Issue Mandate, if approved by the Shareholders, shall take effect only upon listing of the Shares on the Main Board of the SEHK. For the avoidance of doubt, securities may still be issued by the Company pursuant to the Share Issue Mandate prior to the listing of the Shares on the Main Board of the SEHK.

1.6 Proposed adoption of the New Articles

In connection with the proposed Introduction, the Company is proposing to carry out the amendments to the Articles as set out in paragraph 8 below and Appendix 4 to this Circular, by way of adoption of the New Articles.

The proposed amendments to the Articles are made pursuant to the provisions under the HK Listing Rules which prescribe various mandatory requirements to the articles of association of issuers listed on the SEHK, and relevant guidelines in the Joint Policy Statement. In view of the proposed Introduction, the Company is required to amend its Articles to incorporate such provisions in its Articles in order to comply with the HK Listing Rules and the requirements of the SFC and the SEHK.

In view of the substantial amendments to the Articles, the Directors propose to seek the approval of Shareholders for the adoption of the New Articles (a copy of which will be marked "A" and signed by the chairman of the meeting and produced to the Shareholders at the EGM for identification purpose), which contains all the proposed amendments to the Articles, as set out in Appendix 4 to this Circular.

The proposed adoption of the New Articles is subject to Shareholders' approval and is proposed as a special resolution at the EGM. In addition, the New Articles, if approved and adopted by the Shareholders, shall take effect from the date that the New Articles are registered by the Registrar of Corporate Affairs in the BVI. As at the Latest Practicable Date, the Company intends to register the New Articles on the Registration Date so that the New Articles will be effective by the Listing Date. In the event the Company decides not to proceed with the Introduction for any reason prior to the Registration Date, the Company will not register the New Articles.

1.7 EGM

The Board is convening the EGM to be held on 3 September 2010 at 9.30 a.m. at Pan Pacific Singapore, Ocean 11, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 to seek Shareholders' approval for the following proposals:

- (a) the proposed Introduction;
- (b) the proposed termination of the Scheme and the Plan;
- (c) the proposed adoption of the New Scheme;
- (d) the proposed revocation of the Share Purchase Mandate;
- (e) the proposed grant of the New Share Purchase Mandate;
- (f) the proposed revocation of the Share Issue Mandate;
- (g) the proposed grant of the New Share Issue Mandate; and
- (h) the proposed adoption of the New Articles.

1.8 Approvals Required

The approvals required for the proposed Introduction and the Related Matters are set out in paragraph 10 below.

1.9 Conditional

Shareholders' approvals for the proposed Introduction and each of the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate) are required in order for the Company to successfully complete the proposed Introduction. The proposed Introduction is therefore conditional upon each of the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate). Accordingly, if any of the approvals relating to the proposed Introduction and the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate), as set out in paragraph 10 below is not obtained, the Introduction would not be taken to have been approved and the Company will not proceed with the proposed Introduction. If this occurs, the Company will not be able to meet its objectives and obtain the benefits as set out in paragraph 2 below by means of the proposed Introduction.

1.10 Submission and Listing Approval

On 8 July 2010, the Company submitted to the SEHK an application for the listing of, and permission to deal in, all Shares in issue and any new Shares which may be allotted and issued pursuant to the exercise of Share Options granted under the New Scheme on the Main Board of the SEHK by way of introduction. As at the Latest Practicable Date, the SEHK has not granted its approval for the Introduction. The Company will make the appropriate announcements as and when approval by the SEHK is granted.

The Company has also on 19 July 2010 submitted to the SGX-ST an application for the listing of, and permission to deal in, any new Shares which may be allotted and issued pursuant to the exercise of Share Options granted under the New Scheme on the Main Board of the SGX-ST.

The SGX-ST had on 6 August 2010 granted its approval in-principle for the listing of and quotation for the new Shares to be allotted and issued pursuant to the exercise of Share Options granted under the New Scheme on the Main Board of the SGX-ST, subject to the Shareholders' approval for the New Scheme and the Company's compliance with the SGX-ST's listing requirements and guidelines. The approval in-principle granted by the SGX-ST to the Company is not to be taken as an indication of the merits of the New Scheme, the new Shares to be allotted and issued pursuant to the exercise of Share Options granted under the New Scheme, the Company and/or its subsidiaries.

2. RATIONALE FOR, AND BENEFITS OF, THE PROPOSED INTRODUCTION

The Directors believe that the Introduction will enhance the Company's profile in Hong Kong and in the PRC, facilitate investment by Hong Kong investors in the Company and enable the Company to gain access to the investor base in Hong Kong's capital markets and to benefit from its exposure to a wider range of private and institutional investors. This could potentially increase the liquidity of the Shares. The Directors consider that this is important for the Company's growth and long-term development, particularly bearing in mind that the Company's operations are principally located in the PRC.

3. PROPOSED INTRODUCTION

3.1 Timing

Subject to receipt of all necessary approvals under the applicable laws, rules and regulations and the fulfilment of the conditions set out in paragraph 10 below, the Company intends to complete the proposed Introduction by no later than 31 December 2010. The Company will make the appropriate announcements in event of any delay in the timing for the proposed Introduction.

3.2 Sponsor

The Company has appointed Standard Chartered Bank Securities (Hong Kong) Limited as its Sponsor in respect of the Introduction.

3.3 Dual Primary Listing

In the event that the Company successfully proceeds with the proposed Introduction, the Company will be concurrently listed on the Main Board of the SGX-ST and the Main Board of the SEHK pursuant to which the Company will need to comply with the relevant Singapore and Hong Kong laws, listing rules and regulations, including, *inter alia*, the takeover requirements, the disclosure requirements and the listing requirements of the SGX-ST, the SEHK and the SFC. In the event of any conflict between the applicable Singapore and Hong Kong laws, listing rules and regulations, the Company shall comply with the more onerous rules. In addition, Shareholders may wish to switch trading from the SGX-ST to the SEHK or from the SEHK to the SGX-ST. Further information relating to, *inter alia*, the take-over obligations of the Company and the salient provisions of the Listing Manual and the HK Listing Rules and regulations, applicable to the Company after the Introduction is set out in Appendix 1 to this Circular. The procedures for trading and transfer of Shares from the SGX-ST to the SEHK, and *vice versa*, are set out in Appendix 2 to this Circular.

3.4 Bridging Arrangements

In connection with the proposed Introduction, it is intended that Standard Chartered Securities (Hong Kong) Limited will be appointed as the bridging dealer (the "**Bridging Dealer**") and will implement bridging arrangements for the facilitation of the migration of Shares to the Hong Kong branch register.

(a) Intended Arbitrage Activities during the Bridging Period

Upon the Introduction and during the Bridging Period, it is intended that the Bridging Dealer, on its own account, will seek to undertake arbitrage activities in circumstances as described below. Such arbitrage activities are expected to contribute to the liquidity of trading in the Shares on the Hong Kong market upon the Introduction as well as to reduce potential material divergence between Share prices on the Hong Kong and the Singapore markets:

- (i) The Bridging Dealer will seek to carry out arbitrage trades in line with market practice in the context of dual listed stocks. The arbitrage trades are envisaged to be carried out where there exists a meaningful price differential between prices of Shares quoted on the SEHK and those quoted on the SGX-ST. In relation to the

Introduction, it is envisaged that a typical arbitrage trade would be executed if and when prices of Shares quoted on the SEHK are meaningfully higher than those on the SGX-ST, in which case the Bridging Dealer will seek to purchase Shares at the lower price in Singapore and sell Shares at the higher price in Hong Kong.

The typical cost of executing an arbitrage trade is minimal and should constitute a small percentage of the Share price. In the Hong Kong context, the typical cost comprises stamp duty (0.1%), trading fee (0.005%) and transaction levy (0.004%) while in the Singapore context, there is a clearing fee (0.04% up to a maximum of S\$600.00) and trading fee (0.0075%). Nonetheless, as the Bridging Dealer envisages, for arbitrage trades to occur, the Share price differential would need to exceed such transaction costs and the risk premium as perceived by the Bridging Dealer (including but not limited to factors such as price volatility and market liquidity on both markets).

The Bridging Dealer intends to carry out arbitrage trades where (a) there exists a meaningful Share price differential between the Hong Kong and Singapore markets (as determined by the Bridging Dealer), and (b) the Bridging Dealer is able to purchase sufficient quantities of Shares to address such price differentials when they arise and to contribute towards trading liquidity to a meaningful extent. The bridging arrangements and the role of the Bridging Dealer will terminate and cease at the expiry of the Bridging Period.

- (ii) For the Bridging Dealer to contribute meaningfully towards liquidity of trading in the Shares on the Hong Kong market, there should be no trading or exchange disruption in or early closure (other than due to different trading hours) of one or both stock exchanges. There should be concurrent availability of Shares on both stock exchanges. The Bridging Dealer will enter into the Stock Borrowing and Lending Agreement with Sinopower, a Controlling Shareholder which has a direct interest in 2,396,781,817 Shares as at the Latest Practicable Date, to ensure it will have ready access to appropriate quantities of Shares for settlement purposes upon the Introduction and during the Bridging Period.
- (iii) Pursuant to the stock borrowing arrangements under the Stock Borrowing and Lending Agreement, Sinopower will, at the request of the Bridging Dealer, make available to the Bridging Dealer stock lending facilities of an aggregate of up to 10.0% of the Shares in issue. Such Shares will be used for settlement in connection with the arbitrage trades carried out by the Bridging Dealer in Hong Kong. These Shares will have been registered on the register of members operated by the Hong Kong branch registrar prior to the Introduction. The Stock Borrowing and Lending Agreement will provide, *inter alia*, that all the Shares borrowed shall be returned to the Lender not later than 10 business days after the expiry of the Bridging Period.
- (iv) Additionally, to facilitate the role of the Bridging Dealer commencing from the pre-opening period (9:30 a.m. - 10:00 a.m.) on the first day of the Introduction, the Bridging Dealer will make arrangements to build up a small inventory of Shares prior to the commencement of trading. There will be a Sale and Repurchase Agreement between Sinopower and the Bridging Dealer for the sale of a certain number of Shares (representing approximately 2.0% of the Shares in issue at the time the Sale and Repurchase Agreement is entered into) by Sinopower to the Bridging Dealer, on or before the Bridging Period (the "**Sale**"). Conditional upon

the Bridging Dealer acquiring the Shares under the Sale, the Bridging Dealer shall sell and Sinopower shall repurchase the equivalent number of Shares it sold under the Sale, at the same price as such Shares were sold, following the expiry of the Bridging Period (the “**Repurchase**”). Currently, it is envisaged that the Repurchase will take place shortly after expiry of the Bridging Period.

- (v) The Sale and Repurchase Agreement will facilitate the Bridging Dealer in contributing towards trading liquidity in the Shares on the Hong Kong market, by making available a quantity of Shares to facilitate arbitrage trades during the Bridging Period. Under the arrangement described in paragraph (iv) above, Sinopower will maintain a neutral position in respect of its shareholding in the Company, and shortly after the expiry of the Bridging Period, its shareholding interest in the Company will remain the same as that prior to the commencement of the arbitrage activities.
- (vi) The Bridging Dealer will continue to replenish its Share inventory while carrying out the arbitrage trades. When a buy order has been executed on the Singapore market and a sale order has been executed on the Hong Kong market, the Bridging Dealer will instruct the Singapore Share Transfer Agent to transfer the Shares purchased on the Singapore market to Hong Kong to replenish its Share inventory for further trading. While such transfer of Shares takes place, the Bridging Dealer will utilise the Shares borrowed under the Stock Borrowing and Lending Agreement for settlement of the sale made in Hong Kong.
- (vii) The Bridging Dealer will set up a designated dealer identity number solely for the purposes of carrying out arbitrage trades under this exercise in Hong Kong, in order to ensure identification and thereby enhance transparency of such trades on the Hong Kong market. Once the designated dealer identity number is available and in any event not later than three business days before the first day of the Introduction, the Bridging Dealer will notify the Company of its designated dealer identity number. Such information will then be posted by the Company on its website, and disclosed by way of an announcement on both the SGX-ST and the SEHK. Any change in such designated dealer identity number will be disclosed as soon as practicable using the same channels as described above.
- (viii) The Bridging Dealer will enter into such bridging arrangement (including the arbitrage activities) on a voluntary basis with a view to contributing towards liquidity of Shares in Hong Kong, and intends for such bridging arrangements to constitute proprietary transactions.

It is emphasised that other than the Bridging Dealer, arbitrage activities and bridging arrangements may be carried out by market participants who have access to the Shares. Also, other existing Shareholders who may have transferred part or all of their shareholdings from Singapore to Hong Kong upon the commencement of trading (or thereafter) can also carry out arbitrage trades in the Shares. Such activities will depend on the extent of price differentials between the two stock exchanges, and the number of market participants (other than the Bridging Dealer) who elect to enter into such arbitrage activities and bridging arrangements.

The arbitrage activities of the Bridging Dealer and any persons acting for it will be entered into in accordance with all applicable laws, rules and regulations. The bridging arrangements intended to be implemented in connection with the Introduction are not

equivalent to the price stabilisation activities which may be undertaken in connection with an initial public offering. In addition, the Bridging Dealer is not acting as a market maker and does not undertake to create or make a market in Shares on the Hong Kong market.

(b) Spread of Shareholdings

It is expected that the following measures and factors will assist in creating and/or improving the spread of holdings of the Shares available for trading on the SEHK following the Introduction:

- (i) As the Shares are of one and the same class, Shareholders may at their discretion transfer Shares from Singapore to Hong Kong upon or after the Introduction. Special arrangements will be made to facilitate transfers of Shares, and to incentivise existing Shareholders to transfer their Shares to Hong Kong prior to the Introduction by enabling them to do so at a reduced cost. To the extent that existing Shareholders elect to transfer Shares to Hong Kong before or shortly after the Introduction, such Shares may help contribute to the general liquidity of the Shares on the Hong Kong market.
- (ii) Sinopower has confirmed to the Company that it intends to transfer, and/or procure the transfer of, Shares representing an aggregate of about 30.0% of the Shares in issue to the register of members operated by the Hong Kong branch registrar prior to the Introduction. As indicated in paragraph 3.4(a) above, Sinopower will lend and make available to the Bridging Dealer Shares which will be used solely for settlement in connection with the arbitrage trades carried out by the Bridging Dealer in Hong Kong.
- (iii) In conducting arbitrage activities in circumstances as described in paragraph 3.4(a) above, the Bridging Dealer is effectively acting as a conduit to transfer some of the trading liquidity of the Shares in the Singapore market to the Hong Kong market.

(c) Benefits of the Bridging Arrangements

The Company believes that the bridging arrangements will benefit the Introduction in the following ways:

- (i) As arbitrage trades are intended to be carried out by the Bridging Dealer during the Bridging Period where there exists a meaningful price differential in the Share prices, the bridging arrangements are expected to contribute to the liquidity of the Shares on the Hong Kong market upon the Introduction.
- (ii) Arbitrage trades, by their nature, would typically contribute to reducing potential material divergence between Share prices on the Hong Kong and the Singapore markets.
- (iii) The bridging arrangements are perceived to be a mechanism which is fair to all market participants who have access to the Shares, as it is open to all the Shareholders and other market participants who have such access to carry out arbitrage trades similar to those to be carried out by the Bridging Dealer.

(d) Disclosure of the Bridging Arrangements

In order to enhance transparency of the arbitrage activities carried out under the bridging arrangements, various measures to provide information to the market and potential investors will be undertaken. Further, the Company will, as soon as practicable and in any event before the opening of trading hours on the business day immediately before the first day of the Introduction, release an announcement on the SEHK and the SGX-ST to inform the investing public of the following information as at the latest practicable date prior to such announcement:

- (i) the number of Shares in respect of which the Singapore Share Transfer Agent has received instructions from Shareholders for the transfer of such Share to the register of members operated by the Hong Kong branch registrar; and
- (ii) the total number of Shares which have been registered on the register of members operated by the Hong Kong branch registrar.

In respect of the arbitrage trades to be carried out by the Bridging Dealer, the Bridging Dealer will set up a designated dealer identity number solely for the purposes of carrying out such trades in Hong Kong, in order to ensure identification and thereby enhance transparency of the trades on the Hong Kong market.

4. PROPOSED TERMINATION OF THE SCHEME AND THE PLAN

4.1 The Scheme

The Scheme was adopted by the Company at an extraordinary general meeting held on 23 April 2008 for the purpose of providing an opportunity for the employees of the Company to participate in its equity. Eligible participants include confirmed employees of the Group (including executive directors of the Company). The Scheme will expire on 23 April 2018, unless otherwise terminated by the committee administering the Scheme or by resolution of Shareholders at a general meeting. No share options have been granted or agreed to be granted by the Company under the Scheme since the adoption date of the Scheme.

4.2 The Plan

The Plan was adopted by the Company at an extraordinary general meeting held on 23 April 2008 for the purpose of promoting higher performance goals and recognise exceptional achievement of all key management executives within the Group. Eligible participants include key management executives (including executive directors of the Company). The Plan will expire on 23 April 2018, unless otherwise terminated by the committee administering the Plan or by resolution of Shareholders at a general meeting. No contingent award of Shares have been granted or agreed to be granted by the Company under the Plan since the adoption date of the Plan.

4.3 Approvals

The rules of the Scheme and the Plan currently do not fully comply with the HK Scheme Provisions. In addition, the HK Scheme Provisions are applicable to subsidiaries of issuers listed on the SEHK. The Company became a subsidiary of SRE Group, which is a company listed on the SEHK, since 29 December 2009. This was a result of a reduction in the

Company's issued share capital further to a series of share repurchases of a total of 55,168,000 Shares by the Company between 11 December 2009 and 29 December 2009. The reduction in the Company's issued share capital resulted in an increase in the shareholding percentage of SRE Group in the Company. Therefore, the HK Scheme Provisions apply to the Company. Accordingly, no further share options under the Scheme and share awards under the Plan will be granted. To comply with the HK Scheme Provisions and in view of the proposed Introduction, the Company is proposing to terminate the Scheme and the Plan.

The termination of the Scheme and the Plan is subject to Shareholders' approval and is proposed as an ordinary resolution at the EGM. In addition, the proposed termination of the Scheme and the Plan, if approved by the Shareholders, shall take effect upon approval of the Shareholders.

5. PROPOSED ADOPTION OF THE NEW SCHEME

The Rules of the New Scheme are set out in Appendix 3 to this Circular. The New Scheme complies with the applicable rules under Chapter 8 of the Listing Manual and Chapter 17 of the HK Listing Rules.

5.1 Summary of the Principal Terms of the New Scheme

(a) Purpose of the New Scheme

The purpose of the New Scheme is to provide the Participants working for the interest of the Group with an opportunity to obtain equity interest in Company, thus linking their interests with the interests of the Group and thereby providing them with incentives to work better for the interests of the Group and/or rewards for their contribution and support to the Group's success and development.

(b) Participants and Eligibility

The Committee may, at its discretion, invite any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of any member of the Group or the Parent Group to take up Share Options to subscribe for Shares and in determining the basis of eligibility of the Participants, the Committee would take into account such factors as the Committee may at its discretion consider appropriate.

Controlling Shareholders and their spouse, child, adopted child, step-child, brother, sister and parent shall not be eligible to participate in the New Scheme.

(c) Duration and Administration

Subject to the fulfilment of the conditions in paragraph 3 of the Rules and the termination provisions in paragraph 16 of the Rules, the New Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Share Options will be granted but in all other respects the provisions of the New Scheme shall remain in full force and effect, and Share Options which are granted during the life of the New Scheme may continue to be exercisable in accordance with their terms of grant.

The New Scheme shall be subject to the administration of the Committee whose decision (save as otherwise provided in the Rules) shall be final and binding on all parties provided that no member of the Committee shall participate in any deliberation or decision in respect of Share Options granted or to be granted to him.

(d) Grant of Share Options

On and subject to the Rules, the Committee shall be entitled at any time, within 10 years after the Adoption Date to make an Offer to any Participants as the Committee may in its absolute discretion select to subscribe for such number of Shares as the Committee may (subject to paragraphs 9 and 10 of the Rules) determine at the Subscription Price (provided that such number of Shares constitutes a board lot for dealing in Shares on the SEHK or the SGX-ST or an integral multiple thereof). In determining the basis of eligibility of each Participant, the Committee would mainly take into account the experience of the Participant in the Group's business, the length of service of the Participant, the contribution made towards the success of the Group and/or the amount of potential efforts and contributions the Participant is likely to be able to give or make towards the success of the Group in the future.

No Offer shall be made after a price sensitive event of the Company has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published pursuant to the requirements of the HK Listing Rules and the Listing Manual. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Committee (as such date is first notified by the Company to the SEHK and the SGX-ST in accordance with the HK Listing Rules or the Listing Manual (as the case may be)) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the HK Listing Rules or the Listing Manual); and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the HK Listing Rules and the Listing Manual, or quarterly or any other interim period (whether or not required under the HK Listing Rules or the Listing Manual), and ending on the date of the results announcement, no Share Option may be granted.

(e) Acceptance of Offer

A Share Option shall be deemed to have been accepted by any Participant who accepts an Offer in accordance with the Rules or (where the context so permits) the legal personal representative(s) entitled to any such Share Option in consequence of the death of the original Participant and the Share Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the Share Option duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within a stipulated acceptance period.

Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the SEHK or the SGX-ST or an integral multiple thereof and the number of Shares in respect of which the Offer is accepted is clearly stated in the duplicate of the offer letter received by the Company. To the extent that the Offer is not accepted within the stipulated acceptance period, it will be deemed to have been irrevocably declined.

(f) Subscription Price

Subject to any adjustments made pursuant to paragraph 11 of the Rules, the Subscription Price in respect of each Share issued pursuant to the exercise of the Share Options granted under the New Scheme shall be a price solely determined by the Committee and notified to a Participant in the relevant offer letter and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the daily quotations sheet of the SEHK or the SGX-ST on the Offer Date (whichever is higher); and
- (ii) a price being the average of the closing prices of the Shares as stated in the daily quotations sheets of the SEHK or the SGX-ST for the five business days immediately preceding the Offer Date (whichever is higher).

(g) Exercise of Share Options

A Share Option shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests (whether legal or beneficial) in favour of any third party over or in relation to any Share Option or enter into agreement to do so. Any breach of the foregoing of a Grantee shall render all outstanding Share Options of such Grantee automatically cancelled on the date which the Grantee commits the foregoing breach.

Unless otherwise determined by the Committee and specified in the offer letter at the time of the Offer, no performance targets need to be achieved by the Grantee before a Share Option can be exercised. A Share Option may be exercised in whole or in part in the manner as set out in the offer letter, and the Rules by the Grantee (or his personal representative(s)) at any time, after the first (1st) anniversary of the Offer Date of that Share Option, by giving notice in writing to the Company stating that the Share Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the total Subscription Price for the Shares in respect of which the notice is given.

The Shares to be allotted upon the exercise of a Share Option will be subject to all the provisions of the Memorandum and the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue.

(h) Lapse of Share Options

A Share Option shall lapse automatically and not be exercisable (to the extent that it has not already been exercised) on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of the periods referred to in sub-paragraph 7.3(a), (b) or (c) of the Rules, where applicable;

- (iii) subject to the scheme of arrangement as referred to in sub-paragraph 7.3(d) of the Rules becoming effective, the expiry of the period referred to in sub-paragraph 7.3(d) of the Rules;
 - (iv) subject to the compromise or arrangement referred to in sub-paragraph 7.3(e) of the Rules becoming effective, the expiry of the period referred to in sub-paragraph 7.3(e) of the Rules;
 - (v) the date on which the Grantee ceases to be a Participant by reason of the termination of his employment, directorship, appointment or engagement on one or more of the following grounds, namely, that he has been guilty of misconduct, or has been in breach of material term of the relevant employment contract or service contract, or has stopped payment to creditors generally or been unable to pay his debts within the meaning of any applicable legislation relating to bankruptcy or insolvency, or has become bankrupt or insolvent, or has been served with a petition for bankruptcy, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, or (if so determined by the Board or the board of the relevant subsidiary, as the case may be) on any other ground on which any employer or any engaging party would be entitled to terminate his employment, directorship, appointment or engagement at common law or pursuant to any applicable laws or under the Grantee's employment contract or service contract with the Company or the relevant subsidiary (as the case may be). A resolution of the Board or the board of directors or governing body of the relevant subsidiary (as the case may be) to the effect that the employment, directorship, appointment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in sub-paragraph 8(e) of the Rules shall be conclusive and binding on the Grantee;
 - (vi) the close of two business days prior to the general meeting of the Company held for the purpose of approving the voluntary winding-up of the Company or the date of the commencement of the winding-up of the Company;
 - (vii) the date on which the Grantee commits a breach of sub-paragraph 7.1 of the Rules; or
 - (viii) the date on which the Share Option is cancelled by the Committee as provided in paragraph 15 of the Rules.
- (i) Maximum number of Shares available for Subscription

Subject to sub-paragraph 9.2 of the Rules:

- (i) The total number of Shares, which may be issued upon exercise of all Share Options to be granted under the New Scheme and any other share option scheme of the Company shall not in aggregate exceed 10.0% of the total number of Shares in issue on the Adoption Date, unless the Company obtains an approval from its Shareholders pursuant to sub-paragraph (ii) below. The Share Options lapsed in accordance with the terms of the New Scheme will not be counted for the purpose of calculating such 10.0% limit.

- (ii) The Company may seek approval of its Shareholders in general meeting for refreshing the 10.0% limit set out in sub-paragraph (i) above such that the total number of Shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10.0% of the total number of Shares in issue as at the date of approval to refresh such limit. Share Options previously granted under the New Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the New Scheme or any other share option schemes or exercised options) will not be counted for the purpose of calculating such limit as refreshed. In such a case, the Company shall send a circular to its Shareholders containing the information and disclaimer as required under the HK Listing Rules and the Listing Manual.
- (iii) The Company may seek separate approval by its Shareholders in general meeting for granting Share Options beyond the 10.0% limit provided the Share Options in excess of such limit are granted only to Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send a circular to its shareholders containing, amongst other terms, a generic description of the specified Participant(s) who may be granted such Share Options, the number of Shares subject to the Share Options to be granted, the terms of the Share Options to be granted, the purpose of granting Share Options to the specified Participant(s), an explanation as to how these Share Options serve such purpose and such other information as required under the HK Listing Rules and the Listing Manual.

Notwithstanding any provision in paragraph 9.1 of the Rules and subject to paragraph 11 of the Rules, the limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company must not exceed 15.0% of the Shares in issue from time to time. No options may be granted under the New Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

In addition, subject to sub-paragraph 10.1 of the Rules, the aggregate number of Share which may be offered to all Parent Group Participants shall not exceed 20.0% of the total number of Shares available under this Scheme.

(j) Maximum entitlement of Shares of each Participant

- (i) Subject to sub-paragraphs 10.1(b) of the Rules, the total number of Shares issued and to be issued upon exercise of the Share Options granted to each Participant (including both exercised and outstanding Share Options) in any 12-month period shall not exceed 1.0% of the total number of Shares in issue.
- (ii) Notwithstanding sub-paragraph 10.1(a) of the Rules, where any further grant of Share Options to a Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such Participant under the New Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding Share Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1.0% of the Shares in issue, such further grant must be separately approved by the Shareholders of the Company in general meeting with such Participant and his

associates abstaining from voting. The number and terms of the Share Options to be granted to such Participant shall be fixed before Shareholders' approval and the date of Committee meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

- (iii) In addition to paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b) of the Rules, any grant of Share Options to a Participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors of the Company (excluding independent non-executive directors of the Company who are Grantees).
- (iv) In addition to paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b) of the Rules, where the Committee proposes to grant any Share Option to a Participant who is a substantial shareholder (as defined under the HK Listing Rules) or an independent non-executive director of the Company, or any of their respective associates, which would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted under the New Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including proposed Offer Date of such grant:
 - (A) representing in aggregate more than 0.1% of the total number of Shares in issue on the proposed Offer Date of such grant; and
 - (B) having an aggregate value, based on the closing price of the Shares as stated in the SEHK's daily quotations sheet on the proposed Offer Date of such grant, in excess of HK\$5,000,000,

such proposed grant of Share Options must be approved by the Shareholders in general meeting. All connected persons of the Company must abstain from voting in favour of such proposed grant at such general meeting (except that any connected person (other than the Participant) may vote against such proposed grant at the general meeting provided that his intention to do so has been stated in the circular issued to the Shareholders).

- (v) Subject to paragraph 9 and sub-paragraphs 10.1(a), 10.1(b), 10.1(c) and 10.1(d) of the Rules, where the Committee proposes to grant any Share Option to a Parent Group Participant which, together with Share Options already granted to such Parent Group Participant in his capacity as such under the New Scheme, represents 5.0% or more of the total number of Share Options available to Parent Group Participants under the New Scheme, a separate resolution of the independent Shareholders must be passed for each such Parent Group Participant and to approve the aggregate number of Share Options to be made available for grant to all Parent Group Participants, provided that any grant of Share Options to a Parent Group Participant whose services have been seconded to any member within the Group shall not be subject to the provisions of sub-paragraph 10.1(e) of the Rules.

(k) Reorganisation of Share capital

In the event of any alteration in the capital structure of the Company whilst any Share Option remains exercisable, whether by way of capitalisation issue, rights issue, open offer, subdivision, consolidation, reduction or distribution of the share capital of the Company or otherwise howsoever in accordance with the applicable legal requirements and requirements of the SEHK and the SGX-ST (excluding any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in respect of an acquisition by the Company), such corresponding alterations (if any) shall be made to:

- (i) the number of Shares subject to the Share Option so far as unexercised; and/or
- (ii) the Subscription Price;

as the auditors of the Company shall (except in relation to a capitalisation issue) certify in writing to the Directors to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to Rule 17.03(13) of the HK Listing Rules and shall give a Grantee as nearly as possible (and not exceeding) the same proportion of the issued share capital of the Company as that to which the Grantee was previously entitled, provided that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value and/or to cause the Grantee to receive a benefit that the Shareholders do not receive and in no event shall adjustments be made to the advantage of a Grantee without specific prior Shareholders' approval.

(l) Alteration to the New Scheme

The provisions of the New Scheme may be altered in any respect by resolution of the Committee except that the provisions of the New Scheme as to:

- (i) the definitions of "Committee", "Grantee", "Option Period" and "Participant" in sub-paragraph 1.1 of the Rules;
- (ii) the provisions of paragraphs and sub-paragraphs 4, 5.1, 5.2, 5.3, 5.4, 6, 7, 8, 9, 10, 11 and 14 of the Rules, which relate to the duration and administration of the New Scheme, the grant of Share Options, the Subscription Price, the exercise of Share Options, the lapse of Share Options, the maximum number of Shares available for subscription under the New Scheme, the maximum entitlement of Shares of each Participant and the alteration of the New Scheme;
- (iii) all such other matters set out in Rule 17.03 of the HK Listing Rules, including the purpose of the New Scheme, the basis of determining the eligibility of Participants, the provisions relating to cancellation of Share Options granted but not exercised and the treatment of Share Options granted but not yet exercised at the time of termination of the New Scheme; and
- (iv) all such other matters set out in Rules 844 to 849, and Rules 853 to 854 of the Listing Manual,

shall not be altered to the advantage of the Participants except with the prior approval of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Share Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the affected Grantees as would be required of the Shareholders under the Articles for a variation of the rights attached to the Shares.

5.2 Rationale and justification for the participation of the Parent Group Participants, non-executive directors of the Group, and directors and employees of the Associated Companies in the New Scheme

While the New Scheme is primarily established to incentivise employees of the Company and its subsidiaries, the Company also recognises that there are other persons who although are not employed by the Company and/or its subsidiaries, contribute significantly to the success and growth of the Group by virtue of their frequent contributions and close working relationship with the Group. Such persons would include the Parent Group Participants, the non-executive directors of the Group, and directors and employees of the Associated Companies (as they may exist from time to time).

These persons are also eligible for selection, at the absolute discretion of the Committee, to participate in the New Scheme. The manner and basis by which the contributions of such persons are to be measured over the longer term may include a performance framework which incorporates financial and/or non-financial performance measurement criteria. Parent Group Participants and employees and directors of Associated Companies are persons who are in a position to provide valuable support and inputs to the Company through their close working relationship and/or business association with the Company and its subsidiaries. They provide assistance and support to the Company on a continuing basis in the development and implementation of business strategies, investments and projects in which the Company and/or its subsidiaries has interests. The Company recognises that the continued support of these persons is important to its growth and development, well-being and stability. The ability to include such persons under the New Scheme would provide the Company with the flexibility to explore and determine the most appropriate method to acknowledge contributions or special efforts made by them over periods of time.

The non-executive directors of the Group come from different professions and various backgrounds and contribute much experience, knowledge and expertise towards the corporate governance and business management of the Group, as well as invaluable guidance in relation to the strategic planning and development of the Group, thus providing the Group with holistic solutions when evaluating and considering their business issues and opportunities.

While not specifically involved in the day-to-day running and management of the Group, the non-executive directors of the Group are frequently consulted on matters in relation to various aspects relating to the business of the Group and in return, they are entitled to receive nominal director's fees for their contributions and services. However, it may not always be possible to quantify the contributions and services rendered by them in monetary terms due to the nature and scope of their responsibilities. In view of this, the Company proposes extending participation in the New Scheme to such non-executive directors of the Group as part of their remuneration package in recognition of their services and contributions to the growth and development of the Group.

The Company intends to designate SRE Group as the Parent Company, and its subsidiaries (other than the Group) as being part of the Parent Group, for the purposes of the New Scheme. As at the Latest Practicable Date, SRE Group is deemed interested in the 2,396,781,817 Shares held by Sinopower by virtue of the fact that Sinopower is a wholly-owned subsidiary of SRE Group.

5.3 Financial Effects of the New Scheme

(a) Share Capital

The issued share capital of the Company will increase as and when Share Options exercised and new Shares are allotted and issued.

(b) Earnings per Share

Without taking into account earnings which may be derived by the Company from the use of the proceeds from their issue, the new Shares issued pursuant to any exercise of the Share Options may have a dilutive impact on the Group's consolidated earnings per Share.

(c) Net Tangible Assets

The effect on the net tangible assets per Share will depend on whether the Subscription Price is above or below the Group's consolidated net tangible assets per Share at the time of issue of new Shares pursuant to an exercise of the Share Options.

(d) Potential Cost of issue of the Share Options

All Share Options granted under the New Scheme would have a fair value. In the event that such Share Options are granted with Subscription Prices below the fair value of the Share Options, there will be a cost to the Company. In addition to the impact on the Company's consolidated EPS and consolidated net tangible assets as described above, the cost to the Company of granting Share Options under the New Scheme would be as follows:

- (i) the exercise of a Share Option at the Subscription Price would translate into a reduction of the proceeds from the exercise of such Share Option, as compared to the proceeds that the Company would have received from such exercise had the exercise been made at the prevailing market price of the Shares. Such reduction of the exercise proceeds would represent the monetary cost to the Company; and
- (ii) the grant of Share Options under the New Scheme will have an impact on the Company's reported profit under IFRS 2 as share-based payment requires the recognition of an expense in respect of Share Options granted under the New Scheme. The expense will be based on the fair value of the Share Options at the date of grant (as determined by an option-pricing model) and will be recognised over the performance period. The requirement to recognise an expense in respect of Share Options granted to employees as set out in IFRS 2 is effective for financial periods beginning on or after 1 January 2005.

It should be noted that the financial effect discussed in (i) above would materialise only upon the exercise of the relevant Share Options. The cost of granting Share Options discussed in (ii) above would be recognised in the financial statements even if the Share Options are not exercised in (ii). Measured against the cost of granting the Share Options as described above is the desirable effect of the New Scheme in attracting, recruiting, retaining and motivating directors and employees which could in the long term yield greater returns for the Company and Shareholders.

5.4 Approvals

As substitution for the Scheme and the Plan, the Company is proposing to adopt the New Scheme. The adoption of the New Scheme is subject to:

- (a) the SGX-ST granting listing of, and permission to deal in, the new Shares to be allotted and issued upon exercise of any Share Options which may be granted under the New Scheme;
- (b) Shareholders' approval;
- (c) the approval of shareholders of SRE Group, a company listed on the SEHK, as the Company is a subsidiary of SRE Group; and
- (d) (in the event that the Shares are to be listed on the SEHK) the Listing Committee of the SEHK granting approval of the listing of, and permission to deal in, the Shares in issue and the new Shares to be allotted and issued upon exercise of any Share Options which may be granted under the New Scheme,

and is proposed as an ordinary resolution at the EGM. The proposed adoption of the New Scheme, shall take effect only upon the satisfaction of the conditions referred to in (a) to (c) and (if applicable) (d) above. For the avoidance of doubt, in the event the Company decides not to proceed with the Introduction for any reason, the New Scheme will take effect from the date conditions (a) to (c) are satisfied or the date the Company decides not to proceed with the Introduction, whichever is later.

6. PROPOSED REVOCATION OF THE SHARE PURCHASE MANDATE AND GRANT OF THE NEW SHARE PURCHASE MANDATE

6.1 Share Purchase Mandate

The Share Purchase Mandate was renewed by the Company at an extraordinary general meeting held on 30 April 2010 to provide the Company with the flexibility to undertake purchases, redemptions or acquisitions of its Shares. The Share Purchase Mandate will expire on the earliest of (a) the conclusion of the next annual general meeting of the Company, (b) the date by which the next annual general meeting of the Company is required to be held, (c) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated, and (d) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting.

6.2 New Share Purchase Mandate

(a) Rationale of the New Share Purchase Mandate

In substitution of the Share Purchase Mandate, the grant of the New Share Purchase Mandate to authorise the Directors to purchase, redeem or acquire its Shares would give the Company the flexibility to undertake purchases, redemptions or acquisitions of its Shares up to the 10.0% limit described in paragraph 6.2(b)(i) below at any time, during the period when the New Share Purchase Mandate is in force.

As the New Share Purchase Mandate is proposed to be granted in connection with the Introduction, the main differences between the New Share Purchase Mandate and the Share Purchase Mandate are that (i) the New Share Purchase Mandate will provide for on-market Share repurchases on both the SGX-ST and the SEHK and (ii) any Shares purchased, redeemed or acquired by the Company will be cancelled and not be held as treasury shares as issuers listed on the SEHK are not allowed to hold treasury shares.

The rationale for the Company to undertake the purchase, redemption or acquisition of its issued Shares is as follows:

- (i) In managing the business of the Group, the management of the Company will strive to increase Shareholders' value by improving, *inter alia*, the ROE of the Company. In addition to growth and expansion of the business, purchases of its Shares may be considered as one of the ways through which the ROE of the Company may be enhanced.
- (ii) In line with international practice, the New Share Purchase Mandate will provide the Company with greater flexibility in managing its funds and maximising returns to Shareholders. To the extent that the Company has surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the New Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner by way of purchasing its issued Shares at prices which are viewed as favourable.
- (iii) The New Share Purchase Mandate will provide the Company the flexibility to undertake purchases of its Shares at any time, subject to market conditions, during the period when the New Share Purchase Mandate is in force.
- (iv) Share purchases may help mitigate short-term market volatility (by way of stabilising the supply and demand of its issued Shares), offset the effects of short-term speculation, support the fundamental value of the issued Shares and bolster Shareholder confidence.
- (v) All things being equal, purchases, redemptions or acquisitions of Shares pursuant to the New Share Purchase Mandate will result in a lower number of issued Shares being used for the purpose of computing EPS and BVS. Therefore, share purchases under the New Share Purchase Mandate will improve the Company's EPS and BVS, which in turn is expected to have a positive impact on the fundamental value of its issued Shares.

While the New Share Purchase Mandate would authorise purchases, redemptions or acquisitions of Shares up to the said 10.0% limit during the duration referred to in paragraph 6.2(b)(ii) below, Shareholders should note that purchases, redemptions or acquisitions of Shares pursuant to the New Share Purchase Mandate may not be carried out to the full 10.0% limit as authorised and the purchases, redemptions or acquisitions of Shares pursuant to the New Share Purchase Mandate would be made only as and when the Directors consider it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST and/or the SEHK. The Directors will use their best efforts to ensure that after a purchase, redemption or acquisition of Shares pursuant to the New Share Purchase Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST and/or the SEHK.

(b) Authority and Limitations on the New Share Purchase Mandate

The authority and limitations placed on purchases, redemptions or acquisitions of its Shares by the Company under the New Share Purchase Mandate are summarised below:

(i) *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased, redeemed or acquired by the Company. The total number of Shares which may be purchased, redeemed or acquired pursuant to the New Share Purchase Mandate is limited to that number of Shares representing not more than 10.0% of the total number of issued Shares of the Company immediately following the completion of the Introduction.

For illustrative purposes only, on the basis of 3,894,804,926 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the completion of the Introduction, not more than 389,480,492 Shares (representing 10.0% of the total number of issued Shares of the Company as at the Listing Date) may be purchased or acquired by the Company pursuant to the New Share Purchase Mandate during the duration referred to in paragraph 6.2(b)(ii) below.

(ii) *Duration of Authority*

Purchases, redemptions or acquisitions of Shares pursuant to the New Share Purchase Mandate may be made, at any time and from time to time, on and from the Listing Date, on which the New Share Purchase Mandate is to take effect, up to:

- (A) the conclusion of the next annual general meeting of the Company;
- (B) the date by which the next annual general meeting is required to be held;
- (C) the date on which the purchases, redemptions or acquisitions of Shares pursuant to the New Share Purchase Mandate have been carried out to the full extent mandated; or

- (D) the date on which the authority conferred by the New Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

The authority conferred on the Directors by the New Share Purchase Mandate to purchase, redeem or acquire Shares may be renewed at the next annual general meeting or an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next annual general meeting. When seeking the approval of the Shareholders for the renewal of the New Share Purchase Mandate, the Company is required to disclose details pertaining to purchases, redemptions or acquisitions of Shares pursuant to the proposed New Share Purchase Mandate made during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases.

(iii) *Manner of Purchases, Redemptions or Acquisitions of Shares*

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

- (A) on-market purchase(s) ("**Market Purchase**"), transacted on the SGX-ST and/or the SEHK through the ready market, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (B) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme, as may be determined or formulated by the Directors as they consider fit.

The Directors may impose such terms and conditions which are not inconsistent with the New Share Purchase Mandate, the Listing Manual, the HK Listing Rules, the HK Repurchase Code and the BVI Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (A) offers for the purchase, redemption or acquisition of Shares shall be made to every person who holds Shares to purchase, redeem or acquire the same percentage of their Shares;
- (B) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and
- (C) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

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

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed purchase, redemption or acquisition of Shares;
- (D) the consequences, if any, of the purchases, redemptions or acquisitions of Shares by the Company that will arise under the Singapore Code or other applicable take-over rules;
- (E) whether the purchases, redemptions or acquisitions of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST; and
- (F) details of any purchases, redemptions or acquisitions of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases of Shares, where relevant, and the total consideration paid for the purchases.

After completion of the Introduction, Off-Market Purchases must also be conducted in accordance with the provisions of the HK Repurchase Code, including obtaining approval from the executive director of the Corporate Finance Division of the SFC or his delegates before conducting Off-Market Purchases, and the offer document to be issued to Shareholders shall contain in addition to those information required under the Listing Manual, the information required under the HK Repurchase Code.

(iv) *Market Price*

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting purchases, redemptions or acquisitions of Shares by the Company under the New Share Purchase Mandate. However, the purchase price to be paid for the Shares pursuant to the purchases, redemptions or acquisitions of the Shares must not exceed:

- (A) in the case of a Market Purchase, 105% of the Average Closing Price; and
- (B) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price,

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

For the above purposes:

“Average Closing Price” means the average of the closing market prices of a Share over the last five Market Days on which the Shares are transacted on the SGX-ST or the SEHK, as the case may be, immediately preceding the date of the Market Purchase by the Company and deemed to be adjusted in accordance with the Listing Manual or the HK Listing Rules, as the case may be, for any corporate action which occurs after the relevant five Market Days;

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the SGX-ST or the SEHK, as the case may be, on the Market Day on which there were trades in the Shares immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase; and

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

(c) Status of Purchased Shares

Under the BVI Act, a share purchased, redeemed or acquired by a company incorporated in BVI is treated as cancelled immediately on purchase, redemption or acquisition (and all rights and privileges attached to the share will expire on such cancellation) unless the purchased shares are held as treasury shares.

Under the HK Listing Rules, issuers listed on the SEHK are not allowed to hold treasury shares. Accordingly, as the Company will no longer be allowed to hold treasury shares after the listing of its Shares on the Main Board of the SEHK, any Shares purchased, redeemed or acquired pursuant to the New Share Purchase Mandate will be cancelled.

(d) Reporting Requirements

The Listing Manual specify that a listed company on the SGX-ST shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9:00 a.m.:

- (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details as the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

(e) Source of Funds

The Company may only apply funds for the purchase, redemption or acquisition of its Shares as provided in the Articles of Association of the Company and in accordance with the applicable laws in Singapore and BVI. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The BVI Act does not specify the funds out of which a company incorporated in BVI as a business company may use to pay the purchase price. Such company may purchase, redeem or otherwise acquire its own shares so long as it is in accordance with the provisions of the BVI Act or such other provisions for the purchase, redemption or acquisition as may be specified in the memorandum of association or articles of association of the company, and that the directors of the company are satisfied on reasonable grounds, that the company will, immediately after the purchase, redemption or acquisition, satisfy the solvency test.

The BVI Act provides for certain situations in which the solvency test need not be satisfied. For instance, where the company redeems the share or shares pursuant to a right of a shareholder to have his share or shares redeemed or to have his shares exchanged for money or other property of the company.

The Company intends to use internal sources of funds to finance the Company's purchase, redemption or acquisition of Shares pursuant to the New Share Purchase Mandate. In purchasing, redeeming or acquiring Shares pursuant to the New Share Purchase Mandate, the Directors will principally consider the availability of internal resources. The Directors will only make purchases, redemptions or acquisitions of Shares pursuant to the New Share Purchase Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

(f) Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases, redemptions or acquisitions of Shares that may be made pursuant to the New Share Purchase Mandate on the net tangible assets and EPS as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased, redeemed or acquired, the source of funds out of which the Company may use to pay the purchase price, the purchase price paid for such Shares and the amount (if any) borrowed by the Company to fund the purchases, redemptions or acquisitions.

The Company's total number of issued Shares will be diminished by the aggregate number of Shares purchased and cancelled by the Company. The net tangible assets of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Where the consideration paid by the Company for the purchase, redemption or acquisition of Shares is made out of profits, such consideration (excluding related brokerages, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase, redemption or acquisition of Shares is made out of the funds received by the Company

from the Shareholders as consideration for the Shares allotted and issued to them, the amount available for the distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the New Share Purchase Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase, redemption or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions. The New Share Purchase Mandate will be exercised with a view to enhancing the EPS and/or the net tangible assets value per Share.

For illustrative purposes only, the financial effects of the New Share Purchase Mandate on the Company and the Group, based on the unaudited financial statements of the Company and the Group for the three months ended 31 March 2010 are based on the assumptions set out below:

- (i) based on 3,894,804,926 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the completion of the Introduction, not more than 389,480,492 Shares (representing 10.0% of the total number of issued Shares as at the Listing Date) may be purchased by the Company pursuant to the New Share Purchase Mandate;
- (ii) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 389,480,492 Shares at the Maximum Price of S\$0.1155 for one Share (being the price equivalent to five per cent. (5.0%) above the Average Closing Price of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 389,480,492 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$44,984,997, or RMB225,268,221; and
- (iii) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 389,480,492 Shares at the Maximum Price of S\$0.138 for one Share (being the price equivalent to 20.0% above the Highest Last Dealt Price of the Shares on the Market Day on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 389,480,492 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$53,748,308 or RMB269,151,640.

For illustrative purposes only, and based on the assumptions set out in subparagraphs (i), (ii) and (iii) above and assuming that (A) the purchase, redemption or acquisition of Shares is financed by internal sources of funds; and (ii) the Company had purchased, redeemed or acquired 389,480,492 Shares (representing 10.0% of its total number of issued Shares at the Latest Practicable Date) on 31 March 2010, the financial effects of the purchase, redemption or acquisition of 389,480,492 Shares by the Company pursuant to the New Share Purchase Mandate by way of purchases made entirely out of the funds received by the Company from the Shareholders as consideration for the Shares allotted and issued to them and cancelled, on the

unaudited financial statements of the Company and the Group for the three months ended 31 March 2010 are set out below:

(A) Market Purchases

	<u>Group Before Share</u>	<u>Group After Share</u>	<u>Company Before Share</u>	<u>Company After Share</u>
	<u>Purchase</u>	<u>Purchase</u>	<u>Purchase</u>	<u>Purchase</u>
As at 31 March 2010	<u>(RMB'000)</u>	<u>(RMB'000)</u>	<u>(RMB'000)</u>	<u>(RMB'000)</u>
Profit/(loss) after tax and minority interest	(25,293)	(25,293)	(4,540)	(4,540)
Share capital	2,497,385	2,272,117	2,497,385	2,272,117
Other reserves	749,001	749,001	2,082,414	2,082,414
Retained earnings/ (Accumulated losses)	(861,458)	(861,458)	(1,584,769)	(1,584,769)
Treasury shares ⁽¹⁾	(37,294)	(37,294)	(37,294)	(37,294)
Shareholders' funds	2,347,634	2,122,366	2,957,736	2,732,468
Net tangible assets	2,208,563	1,983,295	2,957,736	2,732,468
Minority interest	427,020	427,020	—	—
Current assets	5,736,209	5,510,941	305,997	80,729
Current liabilities	3,022,653	3,022,653	169,916	169,916
Total borrowings	2,385,720	2,385,720	228,720	228,720
Number of issued Shares ⁽¹⁾	3,084,891,032	2,695,410,540	3,084,891,032	2,695,410,540
Number of treasury shares ⁽¹⁾	55,768,000	55,768,000	55,768,000	55,768,000
<u>Financial Ratios</u>				
Net tangible assets per Share (cents)	71.59	73.58	95.88	101.37
Gearing ratio	36.72%	42.79%	(3.63)%	4.27%
Current ratio (times)	1.90	1.82	1.80	0.48
EPS (cents)	(0.82)	(0.94)	(0.15)	(0.17)

Note:

(1) As at the Latest Practicable Date, the Company does not hold any treasury shares and has 3,894,804,926 Shares in issue.

(B) Off-Market Purchases

As at 31 March 2010	Group	Group	Company	Company
	Before Share	After Share	Before Share	After Share
	Purchase	Purchase	Purchase	Purchase
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
Profit/(loss) after tax and minority interest	(25,293)	(25,293)	(4,540)	(4,540)
Share capital	2,497,385	2,228,233	2,497,385	2,228,233
Other reserves	749,001	749,001	2,082,414	2,082,414
Retained earnings/ (Accumulated losses)	(861,458)	(861,458)	(1,584,769)	(1,584,769)
Treasury shares ⁽¹⁾	(37,294)	(37,294)	(37,294)	(37,294)
Shareholders' funds	2,347,634	2,078,482	2,957,736	2,688,584
Net tangible assets	2,208,563	1,939,411	2,957,736	2,688,584
Minority interest	427,020	427,020	—	—
Current assets	5,736,209	5,467,057	305,997	36,845
Current liabilities	3,022,653	3,022,653	169,916	169,916
Total borrowings	2,385,720	2,385,720	228,720	228,720
Number of issued Shares ⁽¹⁾	3,084,891,032	2,695,410,540	3,084,891,032	2,695,410,540
Number of treasury shares ⁽¹⁾	55,768,000	55,768,000	55,768,000	55,768,000
<u>Financial Ratios</u>				
Net tangible assets per Share (cents)	71.59	71.95	95.88	99.75
Gearing ratio	36.72%	43.97%	(3.63)%	5.80%
Current ratio (times)	1.90	1.81	1.80	0.22
EPS (cents)	(0.82)	(0.94)	(0.15)	(0.17)

Note:

(1) As at the Latest Practicable Date, the Company does not hold any treasury shares and has 3,894,804,926 Shares in issue.

Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the New Share Purchase Mandate would authorise the Company to purchase, redeem or acquire up to 10.0% of its total number of issued Shares, the Company may not necessarily purchase, redeem or acquire or be able to purchase, redeem or acquire the entire 10.0% of its total number of issued Shares.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the New Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

(g) Take-over Implications

Appendix 2 of the Singapore Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(i) *Obligation to make a Take-over Offer*

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

(ii) *Persons Acting in Concert*

Under the Singapore 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 the company.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert, namely:

- (A) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;
- (B) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (C) a company with any of its pension funds and employee share schemes;
- (D) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;
- (E) a financial or other professional adviser, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client's issued shares;

- (F) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a *bona fide* offer for their company may be imminent;
- (G) partners; and
- (H) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of at least 20.0% but not more than 50.0% of the voting rights of a company will be regarded as the test of associated company status.

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 under Rule 14 of the Singapore Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Singapore Code.

(iii) *Application of the Singapore Code*

In general terms, the effect of Rule 14 and Appendix 2 of the Singapore Code 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 the Company purchasing or acquiring its issued Shares, the voting rights of such Directors and the persons acting in concert with them would increase to 30.0% or more, or in the event that such Directors and the persons acting in concert with them hold between 30.0% and 50.0% of the Company's voting rights, if the voting rights of such Directors and the persons acting in concert with them would increase by more than 1.0% in any period of six months.

Under Appendix 2 of the Singapore Code, a Shareholder who is 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 buying back its issued Shares, the voting rights of the Shareholder will increase to 30.0% or more, or, if he holds between 30.0% and 50.0% of the Company's voting rights, his voting rights increase by more than 1.0% in any period of six months as a result of the Company buying back its Shares.

In addition, under Appendix 2 of the Singapore Code, a Shareholder and persons acting in concert with him will incur an obligation to make a take-over offer after a Share purchase or acquisition if, *inter alia*, their voting rights increase to 30.0% or more as a result of a Share purchase or acquisition by the Company and they acquire any Shares between the date of the notice of resolution to authorise the New Share Purchase Mandate and the next annual general meeting of the Company, or, if they already hold between 30.0% and 50.0% of the Company's voting rights and as a result of a Share purchase or acquisition by the Company their voting rights increase by more than 1.0% in any period of six months and they

acquire Shares between the date of the notice of resolution to authorise the New Share Purchase Mandate and the next annual general meeting of the Company.

Based on the shareholdings of the Directors in the Company as at the Latest Practicable Date, none of the Directors will become obligated to make a mandatory offer by reason only of the buy-back of 389,480,492 Shares by the Company pursuant to the New Share Purchase Mandate.

The Directors are not aware of any other fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, persons acting in concert such that their respective interests in voting shares of the Company should or ought to be consolidated, and consequences under the Singapore Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Purchase Mandate.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the New Share Purchase Mandate are advised to consult their own professional advisors and/or the Securities Industry Council of Singapore before they acquire any Shares at the earliest opportunity.

(h) Listing Manual

While the Listing Manual does not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time or times, the listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares. In this regard, the Company will not purchase any Shares pursuant to the New Share Purchase Mandate after a price-sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases during the period of:

- (i) one month immediately preceding the announcement of the Company’s annual results; and
- (ii) two weeks immediately preceding the announcement of the Company’s results for each of the first three quarters of its financial year.

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10.0% of its Shares are in the hands of the public. The “public”, as defined under the Listing Manual, are persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders and its subsidiaries, as well as the associates of such persons.

Based on the Register of Directors’ shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 985,602,322 Shares, representing 25.31% of the total number of issued Shares, are in the hands of the public. Assuming that the Company purchases its Shares through Market Purchases up to the full 10.0% limit pursuant to the New Share Purchase Mandate, the number of Shares in the hands of the public would be reduced

to 596,121,830 Shares, representing 17.01% of the reduced total number of issued Shares of the Company. Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10.0% limit pursuant to the New Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

(i) Previous Share Purchases

In the last 12 months immediately preceding the Latest Practicable Date, the Company purchased or acquired 55,168,000 Shares, by way of Market Purchases. The highest and lowest price paid was S\$0.14 and S\$0.135 per Share, respectively. The total consideration paid for all the purchases was approximately S\$7.5 million (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses).

6.3 Approval

The terms of the Share Purchase Mandate grant to the Directors, among others, the power to make on-market Share repurchases on the SGX-ST. In view of the proposed Introduction, the Company is proposing to revoke the Share Purchase Mandate and to grant to the Directors the New Share Purchase Mandate to provide for, *inter alia*, on-market Share repurchases on both the SGX-ST and the SEHK.

The revocation of the Share Purchase Mandate and the grant of the New Share Purchase Mandate are subject to Shareholders' approval and are proposed as two separate ordinary resolutions at the EGM. In addition, the proposed revocation of the Share Purchase Mandate and the grant of the New Share Purchase Mandate, if approved by the Shareholders, shall take effect only upon listing of the Shares on the Main Board of the SEHK. For the avoidance of doubt, the Share Purchase Mandate shall continue to be effective and may be utilised by the Directors until it is revoked.

7. PROPOSED REVOCATION OF THE SHARE ISSUE MANDATE AND THE GRANT OF THE NEW SHARE ISSUE MANDATE

7.1 Share Issue Mandate

The Share Issue Mandate was granted by the Shareholders to the Directors on 30 April 2010 authorising the directors to issue Shares and/or make or grant offers, agreements or options that might or would require Shares to be issued in accordance with the terms set out in the resolution approving such mandate and in compliance with the requirements imposed by the SGX-ST, the provisions of the Listing Manual, all applicable legal requirements and the Articles.

7.2 New Share Issue Mandate

The proposed New Share Issue Mandate is set out below:

- (a) subject to paragraph (c) below and to the HK Listing Rules and the Listing Manual, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the

powers of the Company to allot, issue and deal with any unissued Shares and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the Shares to be issued either during or after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above shall not exceed 50.0% of the aggregate of the total number of Shares in issue (as adjusted in accordance with paragraph (d) below), of which the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued otherwise than on a pro rata basis to existing Shareholders (including pursuant to a Rights Issue (as hereinafter defined)), shall not exceed 20.0% of the aggregate of the total number of Shares in issue immediately following completion of the Introduction, and the said approval shall be limited accordingly; and
- (d) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares allotted or agreed to be conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors on a pro rata basis (including a Rights Issue), the total number of Shares in issue shall be based on the total number of Shares in issue immediately following completion of the Introduction after adjusting for:
 - (i) new Shares arising from the conversion or exercise of convertible securities subsisting immediately following completion of the Introduction;
 - (ii) new Shares arising from exercising options or vesting of share awards outstanding or subsisting immediately following completion of the Introduction, provided the options or awards were granted in compliance with the rules of the Listing Manual; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of Shares.

For the purpose of the New Share Issue Mandate:

- (a) “**Relevant Period**” means the period from the date of listing of the Shares on the SEHK until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any other applicable laws of the British Virgin Islands to be held; and
 - (iii) the passing of an ordinary resolution by Shareholders in general meeting revoking, varying or renewing the authority given to the directors of the Company under the New Share Issue Mandate; and
- (b) “**Rights Issue**” means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities), (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).

7.3 Approval

Pursuant to the “Further Measures to Facilitate Fund Raising” introduced by the SGX-ST on 19 February 2009, which are effective from 20 February 2009 to 31 December 2010, the Company granted the Share Issue Mandate, which provides, among others, that the aggregate number of Shares to be issued pursuant to the Share Issue Mandate by way of a Renounceable Rights Issue shall not exceed 100% of the total number of issued Shares. However, under the HK Listing Rules, if a proposed rights issue would increase either the issued share capital or market capitalisation of a listed issuer by more than 50.0% (on its own or when aggregated with any other rights issues or open offers announced by the listed issuer within the 12-month period immediately preceding the announcement of the proposed rights issue, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers), then the rights issue must be made conditional on approval of shareholders in general meeting. Accordingly, after completion of the proposed Introduction, Shares which may be issued pursuant to a share issue mandate by way of Renounceable Rights Issues should not exceed 50.0% of the total number of issued Shares. This is also consistent with Rule 806 of the Listing Manual.

Since the Share Issue Mandate does not fully comply with the provisions under the HK Listing Rules and in view of the proposed Introduction, the Company is proposing to revoke the Share Issue Mandate granted to the Directors on 30 April 2010 and to grant to the Directors the New Share Issue Mandate.

The revocation of the Share Issue Mandate and the grant of the New Share Issue Mandate are subject to Shareholders’ approval and are proposed as two separate ordinary resolutions at the EGM. In addition, the proposed revocation of the Share Issue Mandate and the grant of the New Share Issue Mandate, if approved by the by the Shareholders, shall take effect only upon listing of the Shares on the Main Board of the SEHK. For the avoidance of doubt, the Share Issue Mandate shall continue to be effective and may be utilised by the Directors until it is revoked.

8. PROPOSED ADOPTION OF THE NEW ARTICLES

8.1 Amendments to the Articles

A summary of the proposed amendments to the Articles which are to be made in connection with the Introduction and the rationale for such proposed amendments are set out below. Please refer to Appendix 4 to this Circular for the full text of the proposed amendments to the Articles.

(a) Amendments to Article 1

Article 1 is the interpretation section of the Articles. A new definition of “associate” which is contained in certain new article provisions is proposed to be added to have “the meaning attributed to it in the rules or regulations of the Designated Stock Exchange”.

In contemplation of the Introduction, the definition of “Designated Stock Exchange” is proposed to be amended to include a reference to the SEHK, and the definition of “Depository” is proposed to be amended to include a reference to a clearing house recognised by the laws of the jurisdiction in which the Shares are listed on a stock exchange.

The definition of “treasury share” is proposed to be deleted as it is a HK Listing Rules requirement that all shares of issuers listed on the SEHK repurchased be cancelled. Accordingly, the Company will no longer be allowed to have treasury shares after the listing of its Shares on the Main Board of the SEHK.

The definition of “Register” is proposed to be amended to provide for the maintaining of a branch register of members outside the BVI as the Board may from time to time determine, in contemplation of the setting up of a Hong Kong branch register of members for the Introduction.

The definition of “capital” is proposed to be deleted and the definitions of “Member” or “shareholder” and of “Registration Office” is proposed to be amended to reflect that the concept of share capital no longer exists under the BVI Act.

(b) Amendments to Article 3

The existing Article 3 is proposed to be amended by replacing a reference to “share capital” with “share”. This proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.

In addition, the existing Article 3 is also proposed to be amended by inserting the phrase “and the Company is authorised to issue a maximum of 10,000,000,000 shares” at the end of the article. The proposed amendment is made to provide for the maximum number of Shares as required under a guideline set out in a decision of SEHK.

(c) Amendment to Article 3A(2)

The existing Article 3A(2) is proposed to be amended by inserting the following phrase at the end:

“and, for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited, any such purchase, redemption or acquisition not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases, and if purchases are by tender, tenders shall be available to all Members alike.”

The proposed insertion to the existing Article 3A(2) is made to reflect the requirement for issuers listed on the SEHK to comply with the HK Listing Rules.

(d) Amendments to Article 3A(5)

The existing Article 3A(5) deals with the Company's ability to purchase, redeem or otherwise acquire its Shares. It is proposed that the existing Article 3A(5) be amended to provide that repurchased Shares and their relevant share certificates will be cancelled.

The existing Article 3A(5) is also proposed to be amended to remove provision on treasury shares, as issuers listed on the SEHK are not allowed to hold treasury shares.

(e) Amendments to Article 4

The existing Article 4 is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

(g) Amendment to Article 7

The existing Article 7 is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

(h) Amendments to Article 8(1)

The existing Article 8(1) is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

In addition, the existing Article 8(1) is also proposed to be amended by replacing "ordinary resolution" with "special resolution". This proposed amendment is to provide that any distribution to Shareholders must be approved by special resolution of the Shareholders pursuant to a guideline set out in a decision of the SEHK.

(i) Deletion of Article 8(3)

The existing Article 8(3) deals with treasury shares. As the Company will not be allowed to hold treasury shares upon the listing of its Shares on the SEHK, this article is proposed to be deleted.

(j) Amendment to Article 9(3)

The existing Article 9(3) is proposed to be amended by deleting a reference to "capital". The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.

(k) Amendments to Article 10

The existing Article 10 is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

(l) Amendments to Articles 12(1), 12(3) and 12(4)

The existing Articles 12(1), 12(3) and 12(4) are proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

(m) Amendment to Article 18(2)

The existing Article 18(2) is proposed to be amended by deleting the phrase “two Singapore dollars (S\$2.00) per certificate or” and the word “other”.

The proposed amendment is made as the SEHK may prescribe a different maximum fee chargeable in respect of share certificates.

(n) Amendments to Article 21

Similar to the reason for amending Article 18(2) as set out above, the existing Article 21 is also proposed to be amended to replace the phrase “two Singapore dollars (S\$2.00)” by “the maximum sum as the Designated Stock Exchange may determine to be payable”.

In addition, to comply with the HK Listing Rules requirements, the existing Article 21 is proposed to be further amended by inserting the following sentence at the end of the article:

“Where share warrants are issued to the bearer, no certificate thereof shall be issued to replace the one that has been lost unless the Company is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed.”

(o) Amendment to Article 43(1)

The existing Article 43(1) is proposed to be amended by inserting of the following sentence at the end of the article:

“The Company shall not be bound to register more than four (4) persons as the holders of any shares except in the case of the legal personal representatives of a deceased member.”

The proposed insertion of the new sentence is made to comply with the requirement under the HK Listing Rules that the power to limit the number of shareholders in a joint account shall not prevent the registration of a maximum of four persons.

(p) Amendment to Article 44(1)

The existing Article 44(1) is proposed to be amended to provide that the register of members of the Company shall be open to inspection by members no less than two hours on every business day, and closure of the register of members shall be for periods not exceeding thirty days, pursuant to a guideline under the Joint Policy Statement.

(q) Amendments to Article 44(2)

The existing Article 44(2) is proposed to be amended to provide that the Board shall not refuse to permit Shareholders to inspect the registers of members, directors or minutes or resolutions or limit the inspection of documents. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.

(r) Amendment to Article 45

The existing Article 45 is proposed to be amended to provide that the fixing of record dates for Shareholders’ entitlements to receive distributions or notices shall also be subject to the rules of the Designated Stock Exchange (as defined in the New Articles).

The proposed amendment is to ensure that requirements under the HK Listing Rules and/or the Listing Manual will be complied with in this respect.

(s) Amendment to Article 48(1)

The existing Article 48(1) stipulates the number of joint holders of a share that the Company is bound to register as members of the Company. It is proposed that the article be amended to provide for the registration of up to four (4) persons (instead of three (3) as provided in the existing Article 48(1)) as joint holders.

The proposed amendment is made for compliance with the requirement under the HK Listing Rules.

(t) Amendment to Article 52

The existing Article 52 is proposed to be amended to correct a typographical error in relation to the reference to the BVI Act.

(u) Insertion of new Article 54A

A new Article 54A with provisions as follow is proposed to be inserted:

“54A. (1) Without prejudice to the rights of the Company under paragraph (2) of this Article, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

- (a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained unclaimed; and
- (b) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (b) of this Article and ending at the expiry of the period referred to in that paragraph.

(3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder

or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.”

The proposed insertion of Article 54A is made to provide provisions regarding the treatment of uncashed dividends and the Company’s power to sell the shares held by untraceable members pursuant to requirements under the HK Listing Rules.

(v) Amendment to Article 57

The existing Article 57 is proposed to be amended to provide that Shareholders holding not less than 5.0% (instead of the 10.0% provided by the existing Article 57) of the total voting rights of the Company may require the Board to convene an extraordinary general meeting for the transaction of any business specified in the requisition. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.

(w) Amendments to Article 58(1)

The existing Article 58(1) relates to the notice period required for general meetings and is proposed to be amended to provide that (i) any annual general meeting, and (ii) any extraordinary general meeting at which a special resolution will be proposed, shall be convened on at least 21 days’ notice, and any other general meeting shall be convened on at least 14 days’ notice. A general meeting may be called by shorter notice, in the case of an annual general meeting, if it is so agreed by all members entitled to attend and vote thereat, and in the case of any other general meetings, if it is so agreed by a majority of members who together hold no less than 95.0% of the total voting rights on all matters to be considered at a meeting. The amendments are proposed to be made pursuant to a guideline under the Joint Policy Statement.

(x) Amendment to Article 58(2)

The existing Article 58(2) is proposed to be amended to clarify that the requirement of giving at least 14 days’ notice of general meeting in newspapers and to the Designated Stock Exchange is applicable for so long as the Company is listed on the SGX-ST.

(y) Insertion of new Article 75A

A new Article 75A with provisions as follow is proposed to be inserted:

“75A. Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

The proposed insertion of Article 75A is made to provide a provision that where any shareholder is required under the Listing Manual or the HK Listing Rules, as the case may be, to abstain from voting or restricted to voting only for or against a particular resolution of the Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted pursuant to requirements under the HK Listing Rules.

(z) Amendments to Article 77(1)

The existing Article 77(1) is proposed to be amended to allow a Shareholder holding two or more Shares to appoint one or more proxies (instead of not more than two as provided in the existing Article 77(1)) to attend and vote at a general meeting. The amendment is proposed to be made pursuant to a guideline under the Joint Policy Statement.

(aa) Insertion of new Article 77(1A)

A new Article 77(1A) with provisions as follow is proposed to be inserted:

“77(1A). If the Depository, being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).”

This proposed insertion of the new Article 77(1A) is made to provide that a recognised clearing house, if it or its nominee is a member of a company, to authorise such person or persons to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The amendment is proposed to be made pursuant to a guideline under the Joint Policy Statement.

(bb) Amendment to Article 87

The existing Article 87 is proposed to be amended by inserting the following sentence at the end of the article:

“The period for lodgment of the notices referred to in this article shall commence no earlier than the day after the despatch of the Notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

The proposed amendment is made to set out the period for lodgment of notice regarding candidates nominated for election as Directors pursuant to requirements under the HK Listing Rules.

(cc) Insertion of new Article 88A

A new Article 88A with provisions as follow is proposed to be inserted:

“88A Where a Director is disqualified from acting as a director in any jurisdiction for reasons other than technical grounds, the Director must immediately resign from office.”

The proposed insertion of a new Article 88A is made pursuant to paragraph 9(n) of Appendix 2.2 of the Listing Manual.

(dd) Amendment to Article 100

The existing Article 100 is proposed to be amended to correct a typographical error in relation to the reference to the BVI Act.

(ee) Amendments to Article 102(1)

The existing Article 102(1) provides that a Director shall not vote on any resolution of the Board in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction in which he has directly or indirectly a personal material interest. The existing Article 102(1) is proposed to be amended to also restrict the Director from voting where his associates has a material interest and to provide that such Director shall not be counted in the quorum present at the meeting pursuant to requirements under the HK Listing Rules. Amendments are also proposed to the exceptions to the restrictions in this Article to follow what is allowed under the HK Listing Rules.

(ff) Amendments to Article 102(2)

The existing Article 102(2) is proposed to be amended by deleting a reference to “share capital”. The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.

(gg) Insertion of new Article 103(4)

A new article with provisions as follow is proposed to be inserted as Article 103(4):

“(4) Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Act, the Company shall not directly or indirectly:

- (i) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange);
- (ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or
- (iii) if any one more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

Article 103(4) shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.”

The proposed insertion of a new Article 103(4) is made to confine the circumstances under which the Company may make loans, including *quasi* loans and credit transactions, to a Director. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.

(hh) Amendment to Article 109

The existing Article 109 is proposed to be amended by deleting a reference to “share capital”. The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.

(ii) Amendment to Article 112(1)

The existing Article 112(1) is proposed to be amended by deleting a reference to “share capital”. The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.

(jj) Amendments to Article 136

The existing Article 136 is proposed to be amended by inserting the phrases “approval by special resolution of the Members” and “by special resolution” to the provisions on authorisations of distributions by the Company.

The proposed amendments are made to provide that any distribution to the Shareholders must be approved by special resolution the Shareholders pursuant to a guideline set out in a decision of the SEHK.

(kk) Amendments to Article 145(5)

The existing Article 145(5) is proposed to be amended by deleting a reference to “capitalisation issues”. The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.

(ll) Deletion of Articles 147 and 148

The deletion of Articles 147 and 148 which relate to capitalisation are proposed to be made to reflect that the concept of share capital no longer exists under the BVI Act.

(mm) Amendments to Article 151(2)

The existing Article 151(2) is proposed to be amended to provide that a Directors’ report is required to accompany the financial statements made up to the end of the applicable financial year together with the auditor’s report is to be provided to persons entitled thereto. The existing Article 151(2) is also proposed to be amended to provide that such documents be sent to the persons entitled thereto at least 21 days before the date of the general meeting whereas this article currently provides that the documents need only be sent at least 14 days before to the date of the general meeting.

The proposed amendments are made to comply with requirements under the HK Listing Rules.

(nn) Amendment to Article 152(2)

The existing Article 152(2) is proposed to be amended by replacing “fourteen (14)” with “twenty-eight (28)”. The proposed amendment is made to change the notice period for appointment of as auditor a person other than the retiring auditor from 14 days to 28 days.

The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.

(oo) Amendment to Article 158

The existing Article 158 is proposed to be amended to specify that notices to members can be given by advertisement in newspapers, by electronic transmission or communication or by placing it on the website of the Company or of the Designated Stock Exchange in accordance with applicable requirements. Such amendments are to ensure compliance with requirements under the HK Listing Rules, and to accommodate other electronic means of giving notices to members.

(pp) Amendment to Article 162(1)

The existing Article 162(1) is proposed to be amended by inserting the following sentence at the beginning of the article:

“A resolution that the Company be wound up by the Court or be wound up voluntarily shall be passed by way of a special resolution.”

This proposed amendment is made to provide that a resolution for winding-up of the Company by the court or for voluntary winding-up of the Company shall be passed by way of a special resolution. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.

(qq) Amendment to Article 163(1)

The existing Article 163(1) is proposed to be amended by deleting references to “share capital”. The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

(rr) Amendments to Articles 167(1) and 167(2)

The existing Articles 167(1) and 167(2) provide for notification of beneficial shareholding in the Company held by the Director and Substantial Shareholders to the Company.

The proposed amendments are made to reflect that such requirements are in effect for so long as the shares of the Company are listed on the Main Board of the SGX-ST to the exclusion of the SEHK as the notification requirements are not in the HK Listing Rules.

8.2 Approval

In connection with the proposed Introduction, the Company is required to amend its Articles to incorporate various mandatory provisions required under the HK Listing Rules to be included in the articles of association of companies which shares are listed on the Main Board of the SEHK. As substantial amendments to the Articles are required, the Directors are proposing to obtain Shareholders' approval to adopt the New Articles which will incorporate all the amendments to the Articles as set out in Appendix 4 to this Circular. The adoption of the New Articles shall take effect from the date that the New Articles are registered by the Registrar of Corporate Affairs in the BVI. As at the Latest Practicable Date, the Company intends to register the New Articles on the Registration Date so that the New Articles will be effective by the Listing Date. In the event the Company decides not to proceed with the Introduction for any reason prior to the Registration Date, the Company will not register the New Articles.

9. FINANCIAL EFFECTS OF THE INTRODUCTION

There is no direct effect on the financials of the Company as the Company is seeking a listing on the SEHK by way of Introduction. The Company will not be issuing any new Shares in connection with the proposed Introduction.

10. APPROVALS REQUIRED FOR THE PROPOSED INTRODUCTION

- (a) **Shareholders' Approval.** The proposed Introduction is subject to the approval of the Shareholders of the resolutions relating to the proposed Introduction and the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate) which are set out in Ordinary Resolutions 1, 2, 4 and 6 and Special Resolution 1 of the Notice of EGM.

As stated in paragraph 1.9 above, the proposed Introduction and the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate) are all matters which the Company will need to undergo in order to successfully complete the listing of all its Shares in issue by way of Introduction and the Introduction is therefore conditional upon each of the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate).

Shareholders are advised to consider carefully how they will cast their votes in respect of the resolutions set out in Ordinary Resolutions 1, 2, 4 and 6 and Special Resolution 1 of the Notice of EGM. If any of the resolutions is not passed, the Introduction would not be taken to have been approved and the Company will not proceed with the proposed Introduction. If this occurs, the Company will not be able to meet its objectives and obtain the benefits of as set out in paragraph 2 above by means of the proposed Introduction.

- (b) **SEHK Approval.** The proposed Introduction is subject to, among others, the approval of the SEHK.

11. EXTRAORDINARY GENERAL MEETING

11.1 EGM

The EGM, notice of which is set out on pages 158 to 163 of this Circular, is being convened to be held on 3 September 2010 at 9.30 a.m. for the purpose of considering, and if thought fit, passing, with or without amendment, the ordinary resolutions and special resolution set out in the Notice of EGM.

11.2 Summary

The following sets out an explanation on the resolutions to be proposed at the EGM:

- (a) Ordinary Resolution 1 will be proposed to approve the listing of all Shares in issue on the Main Board of the SEHK by way of Introduction;
- (b) Ordinary Resolution 2 will be proposed to approve the termination of the Scheme and the Plan;
- (c) Ordinary Resolution 3 will be proposed to approve the adoption of the New Scheme;
- (d) Ordinary Resolution 4 will be proposed to approve the revocation of the Share Purchase Mandate;
- (e) Ordinary Resolution 5 will be proposed to approve the grant of the New Share Purchase Mandate;
- (f) Ordinary Resolution 6 will be proposed to approve the revocation of the Share Issue Mandate;
- (g) Ordinary Resolution 7 will be proposed to approve the grant of the New Share Issue Mandate; and
- (h) Special Resolution 1 will be proposed to approve the adoption of the New Articles, a copy of which will be available for inspection at the office of the Singapore Share Transfer Agent and produced at the EGM for identification purposes. The amendments to the Articles are also set out in Appendix 4 to this Circular.

11.3 Conditional

Shareholders are advised to consider carefully how they will cast their votes in respect of the resolutions set out in Ordinary Resolutions 1, 2, 4, and 6 and Special Resolution 1 of the Notice of EGM. If any of the resolutions is not passed, the Introduction would not be taken to have been approved and the Company will not proceed with the proposed Introduction. If this occurs, the Company will not be able to meet its objectives and obtain the benefits as set out in paragraph 2 above by means of the proposed Introduction.

12. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of our Directors and Substantial Shareholders' interests in our Company will be affected by the proposed Introduction.

12.1 Directors' Interests

The direct and indirect interests of the Directors as at the Latest Practicable Date are tabulated as follows:

	Shareholdings as at Latest Practicable Date [@]				Shareholdings after Conversion*			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Shi Jian ⁽¹⁾	—	—	2,396,781,817	61.54	—	—	2,396,781,817	61.25
Li Yao Min ⁽²⁾	1,481,250	0.04	4,443,750	0.11	5,925,000	0.15	—	—
Yue Wai Leung, Stan ⁽²⁾	888,750	0.02	4,443,750	0.11	5,332,500	0.14	—	—
Gu Bi Ya ⁽²⁾	750,000	0.02	2,250,000	0.06	3,000,000	0.08	—	—
Song Yi Qing	—	—	—	—	—	—	—	—
Mao Yi Ping ⁽²⁾	618,750	0.02	1,856,250	0.05	2,475,000	0.06	—	—
Yang Yong Gang ⁽²⁾	1,275,000	0.03	3,825,000	0.10	5,100,000	0.13	—	—
Shi Janson Bing	—	—	—	—	—	—	—	—
Henry Tan Song Kok	100,000	N.M**	—	—	100,000	N.M**	—	—
Loh Weng Whye	700,000	0.02	—	—	700,000	0.02	—	—
Lam Bing Lun, Philip	—	—	—	—	—	—	—	—
Kong Siu Chee	—	—	—	—	—	—	—	—

Notes:

- @ The percentage interests are calculated based on the total number of Shares issued as at the Latest Practicable Date, being 3,894,804,926 Shares.
- * The percentage interest is calculated based on the assumption that all the Shares granted pursuant to the CNTD Management Grant are vested.
- ** Not meaningful.
- (1) Mr. Shi Jian is deemed to be interested in 2,396,781,817 Shares by virtue of the fact that he is a controlling shareholder of SRE Group through SRE Investment, which is in turn deemed to be interested in Sinopower's entire shareholding in the Company.
- (2) Deemed interest in the Company through the Shares to be allotted and issued to him pursuant to the CNTD Management Grant.

12.2 Substantial Shareholders' Interests

The direct and indirect interests of the Substantial Shareholders as at the Latest Practicable Date are tabulated as follows:

	Shareholdings as at Latest Practicable Date [@]				Shareholdings after Conversion*			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Sinopower	2,396,781,817	61.54	—	—	2,396,781,817	61.25	—	—
SRE Group ⁽¹⁾	—	—	2,396,781,817	61.54	—	—	2,396,781,817	61.25
SRE Investment ⁽²⁾	—	—	2,396,781,817	61.54	—	—	2,396,781,817	61.25
Shi Jian ⁽³⁾	—	—	2,396,781,817	61.54	—	—	2,396,781,817	61.18
OZ Master Fund, Ltd. ⁽⁴⁾	—	—	506,607,037	13.01	—	—	506,607,037	12.95
OZ Asia Master Fund, Ltd.	—	—	—	—	—	—	—	—
OZ Management, L.P.	—	—	—	—	—	—	—	—
Och-Ziff Holding Corporation	—	—	—	—	—	—	—	—
Och Ziff Capital Management Group, LLC	—	—	—	—	—	—	—	—
Daniel Saul Och	—	—	—	—	—	—	—	—

Notes:

- @ The percentage interests are calculated based on the total number of Shares issued as at the Latest Practicable Date, being 3,894,804,926 Shares.
- * The percentage interest is calculated based on the assumption that all the Shares granted pursuant to the CNTD Management Grant are vested.
- (1) SRE Group is deemed interested to be interested in the 2,396,781,817 Shares held by Sinopower by virtue of the fact that Sinopower is a wholly-owned subsidiary of SRE Group.
- (2) SRE Investment is deemed interested by virtue of the fact that it is a controlling shareholder of SRE Group, which in turn deemed interested in Sinopower's entire shareholding in the Company.
- (3) Mr Shi Jian is deemed interested in Sinopower's entire shareholding in the Company by virtue of the fact that he is a controlling shareholder of SRE Group through SRE Investment.
- (4) OZ Master Fund, Ltd. ("**Fund A**"), OZ Asia Master Fund, Ltd. ("**Fund B**") and OZ Global Special Investments Master Fund, Ltd. (collectively with Fund A and Fund B, "Funds") hold an aggregate of 235,238,245 Shares, 227,357,070 Shares and 44,011,722 Shares representing 6.04%, 5.84% and 1.13% respectively of the total number of issued Shares. In total, therefore, the Funds hold 506,607,037 Shares, representing 13.01% of the total number of issued Shares.

As each of Fund A and Fund B holds 5% or more of the total number of issued Shares, both are Substantial Shareholders.

OZ Management, L.P. ("**OZM**") manages the investments of the Funds on a discretionary basis. By virtue of this, OZM has a deemed interest in, and is a Substantial Shareholder in respect of, all the 506,607,037 Shares held by the Funds, representing 13.01% of the total number of issued Shares.

Och-Ziff Holding Corporation ("**OZH**") is the sole general partner of, and is authorised to manage and represent OZM. By virtue of this, OZH, through OZM, has a deemed interest in, and is a Substantial Shareholder in respect of, all the 506,607,037 Shares held by the Funds, representing 13.01% of the total number of issued Shares.

Och-Ziff Capital Management Group, LLC ("**OZCM**") is the sole shareholder in OZH. By virtue of this, OZCM, through OZH and in turn OZM, has a deemed interest in, and is a Substantial Shareholder in respect of, all the 506,607,037 Shares held by the Funds, representing 13.01% of the total number of issued Shares.

Daniel Saul Och ("**DSO**") holds not less than 20% of the voting rights in OZCM. By virtue of this, DSO, through OZCM and in turn OZH and OZM, has a deemed interest in, and is a Substantial Shareholder in respect of, all the 506,607,037 Shares held by the Funds, representing 13.01% of the total number of issued Shares.

Raffles Nominees (Pte) Ltd is the registered holder for the 506,607,037 Shares.

12.3 Interests of Directors and Controlling Shareholders.

Save for their respective shareholdings in the Company, none of our Directors or Controlling Shareholders has any interest in the proposed Introduction.

13. WORKING CAPITAL

As at 31 December 2009, the Company had a consolidated positive cash and cash equivalent of RMB1,509 million, out of which RMB394 million related to short-term loans payable within a year. The Company's short-term obligations in the next 12 months will largely be funded by operating cash flows and available credit facilities. Earnings before interest, tax, depreciation and amortisation for FY2009 were approximately of RMB521 million.

14. MATERIAL LITIGATION

As at the Latest Practicable Date, the Directors are not aware of any litigation, claims, arbitration, dispute or other proceedings pending or threatened against the Company or any

of its subsidiaries or any facts which are likely to give rise to any litigation, claims, arbitration, dispute or other proceedings which may materially and adversely affect the financial position of the Group taken as a whole.

15. MATERIAL CONTRACTS

Save as disclosed in the Company's Annual Reports for FY2008 and FY2009, and in the announcements made by the Company via SGXNET from 1 January 2010 until the Latest Practicable Date, there were no contracts (not being contracts in the ordinary course of business) entered into by the Company or its subsidiaries from 1 January 2010 to the Latest Practicable Date which are material.

16. DIRECTORS' RECOMMENDATIONS

16.1 The proposed Introduction

For the reasons stated in paragraph 2 above, the Directors are of the opinion that the proposed Introduction and the Related Matters (other than the proposed adoption of the New Scheme, the proposed grant of the New Share Purchase Mandate and the proposed grant of the New Share Issue Mandate), are in the best interests of the Company. Accordingly, they recommend that the Shareholders VOTE IN FAVOUR of Ordinary Resolutions 1, 2, 4 and 6 and Special Resolution 1 being proposed at the EGM set out in the Notice of EGM.

16.2 The New Scheme

As all Directors are eligible to participate in the New Scheme, they have refrained from making any recommendation as to how Shareholders should vote in respect of the proposed adoption of the New Scheme.

16.3 The New Share Purchase Mandate

The Directors are of the opinion that the proposed New Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 5 in respect of the New Share Purchase Mandate being proposed at the EGM as set out in the Notice of EGM.

16.4 The New Share Issue Mandate

The Directors are of the opinion that the proposed New Share Issue Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 7 in respect of the New Share Issue Mandate being proposed at the EGM as set out in the Notice of EGM.

16.5 Advice to Shareholders

Shareholders are advised to read this Circular in its entirety and, for those who may require advice in the context of their specific investments, to consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers. In compliance with its continuing listing obligations under the Listing Manual, the Company announces from time to time material information relating to the Company and, accordingly, the Shareholders are also advised to refer to such announcements when considering the proposals to be tabled at the EGM.

17. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy/proxies to attend and vote on their behalf will find enclosed with this Circular, a proxy form ("**Shareholder Proxy Form**") which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00 PWC Building, Singapore 048424, not less than 48 hours before the time appointed for the holding of the EGM. The completion and return of a Shareholder Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so. No further action is required on the part of the Shareholders.

Depositors who wish to attend and vote at the EGM, and whose names are shown in the records of CDP as at a time not earlier than 48 hours prior to the time of the EGM supplied by CDP to the Company, may attend as CDP's proxies. Such Depositors who are individuals and who wish to attend the EGM in person need not take any further action and can attend and vote at the EGM without the lodgment of any proxy form. Such Depositors who are unable to attend personally and wish to appoint a nominee to attend and vote on his behalf, and who are not individuals, will find enclosed with this Circular, a proxy form ("**Depositor Proxy Form**") which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event, so as to reach the office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00 PWC Building, Singapore 048424, not less than 48 hours before the time appointed for the holding of the EGM. The completion and return of a Depositor Proxy Form by a Depositor does not preclude him from attending and voting in person at the EGM in place of his nominee if he finds he is able to do so.

Shareholders and Depositors who are eligible to participate in the New Scheme shall abstain from voting in respect of Ordinary Resolution 3 at the EGM. Such Shareholders and Depositors should also decline to accept appointment as proxies or nominees, as the case may be, for any Shareholder or Depositor, as the case may be, to vote in respect of Ordinary Resolution 3 unless the Shareholder or Depositor, as the case may be, appointing them has given specific instructions in the proxy instrument as to how he or she wishes his or her votes to be cast for the resolution.

18. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents may be inspected at the office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street #11-00, PWC Building, Singapore 048424 during normal business hours from the date of this Circular to the date of the EGM:

- (a) the Articles;
- (b) the New Articles;
- (c) the audited accounts of the Group for each of FY2007, FY2008 and FY2009;
- (d) the annual reports of the Company for FY2008 and FY2009;
- (e) the announcements made by the Company dated 12 May 2010 and 8 July 2010 in relation to the proposed Introduction;

(f) the HK Listing Rules; and

(g) the Listing Manual.

19. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been reviewed and approved by all the Directors and they (including those who have delegated detailed supervision of this Circular) collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed Introduction and the Related Matters, the Company and its subsidiaries, and the Directors are now aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular 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 Circular in its proper form and context.

Yours faithfully
for and on behalf of
the Board of Directors of
China New Town Development Company Limited

Li Yao Min
Chief Executive Officer

APPENDIX 1

FURTHER INFORMATION RELATING TO DUAL PRIMARY LISTING

The Shares are currently listed on the SGX-ST and the Company intends to list its Shares on the SEHK following the Introduction. The Company sets out below a summary of the major differences between the Listing Manual and the HK Listing Rules, certain applicable laws and regulations of Singapore and Hong Kong, and the takeover rules under the Singapore Code, the HK Takeovers Code and certain relevant legislations concerning companies with listed securities. However, this summary is not and shall not be relied on as legal advice or any other advice to shareholders of the Company. In the event of any conflict between the applicable Singapore and Hong Kong laws, listing rules and regulations, the Company shall comply with the more onerous rules.

1. MAJOR DIFFERENCES BETWEEN THE HK LISTING RULES AND THE LISTING MANUAL AND CERTAIN APPLICABLE SINGAPORE AND HONG KONG LAWS AND REGULATIONS

NO.	HK Listing Rules and Hong Kong Laws	Listing Manual and Singapore Laws
Reporting Obligations of the Company		
1.	<p>Issuers in Hong Kong are required to comply with disclosure obligations under the HK Listing Rules upon the occurrence of the events which are prescribed under such rules.</p> <p>Chapter 13 of the HK Listing Rules</p> <p>Rule 13.09(1)</p> <p>An issuer in Hong Kong is required to keep the SEHK and members of the listed company and other holders of its listed securities informed as soon as reasonably practicable of any information relating to the group (including information on any major new developments in the group's sphere of activity which is not public knowledge) which:</p> <p>(1) is necessary to enable them and the public to appraise the position of the group; or</p> <p>(2) is necessary to avoid the establishment of a false market in its securities; or</p> <p>(3) might be reasonably expected materially to affect market activity and the price of its securities.</p>	<p>* As to the reporting obligations under the listing rules of the SGX-ST below, in the case that the Company makes a disclosure pursuant to Singapore laws, it will make the same disclosure in Hong Kong.</p> <p><u>Chapter 7 of the Listing Manual (Continuing Obligations)</u></p> <p>Rule 703, Listing Manual: Disclosure of Material Information</p> <p>(1) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which:-</p> <p style="margin-left: 40px;">(a) is necessary to avoid the establishment of a false market in the issuer's securities; or</p> <p style="margin-left: 40px;">(b) would be likely to materially affect the price or value of its securities.</p> <p>(2) Rule 703(1) does not apply to information which it would be a breach of law to disclose.</p>

<p>Rule 13.09(2)</p> <p>If securities of the issuer are also listed on other stock exchanges, the SEHK must be simultaneously informed of any information released to any of such other exchanges and the issuer must ensure that such information is released to the market in Hong Kong at the same time as it is released to the other markets.</p> <p>Rule 13.51</p> <p>An issuer shall inform the SEHK immediately of any decision made and publish an announcement as soon as practicable in respect of:</p> <p>(1) any proposed alteration of the issuer's memorandum or articles of association or equivalent documents;</p> <p>(2) any changes in its directorate or supervisory committee, including any appointment or resignation or re-designation of a director or supervisor or any important change in the holding of an executive office;</p> <p>(3) any change in the rights attaching to any class of listed securities and any change in the rights attaching to any shares into which any listed debt securities are convertible or exchangeable;</p> <p>(4) any change in its auditors or financial year end; and</p> <p>(5) any change in its secretary, share register or registered address or where applicable, agent for the service of process in Hong Kong or registered office or registered place of business in Hong Kong.</p>	<p>(3) Rule 703(1) does not apply to particular information while each of the following conditions applies.</p> <p>Condition 1: a reasonable person would not expect the information to be disclosed;</p> <p>Condition 2: the information is confidential; and</p> <p>Condition 3: one or more of the following applies:</p> <p>(i) the information concerns an incomplete proposal or negotiation;</p> <p>(ii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;</p> <p>(iii) the information is generated for the internal management purposes of the entity;</p> <p>(iv) the information is a trade secret.</p> <p>(4) In complying with the SGX-ST's disclosure requirements, an issuer must:</p> <p>(a) observe the Corporate Disclosure Policy set out in Appendix 7.1 of the Listing Manual, and</p> <p>(b) ensure that its directors and executive officers are familiar with the SGX-ST's disclosure requirements and Corporate Disclosure Policy.</p> <p>(5) The SGX-ST will not waive any requirements under this Rule.</p>
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**Rule 704, Listing Manual:
Announcement of Specific Information**

In addition to Rule 703, an issuer must immediately announce the following:–

General

- (1) Any change of address of the registered office of the issuer or of any office at which the register of members or any other register of securities of the issuer is kept.
- (2) Any proposed alteration to the Memorandum of Association or Articles of Association or Constitution of the issuer (see Rule 729 which requires issuers to seek the Exchange's approval for any alteration to their Articles or constituent documents).
- (3) Any notice of substantial shareholders' and directors' interests in the issuer's securities or changes thereof received by the issuer. Such notice must contain the particulars set out in Appendix 7.3.
- (4) Any call to be made on partly paid securities of the issuer or of any of its principal subsidiaries.
- (5) Any qualification or emphasis of a matter by the auditors on the financial statements of:–
 - (a) the issuer; or
 - (b) any of the issuer's subsidiaries or associated companies if the qualification or emphasis of a matter has a material impact on the issuer's consolidated accounts or the group's financial position.
- (6) If an issuer has previously announced its preliminary full year results, any material adjustments to its preliminary full-year results made subsequently by auditors.

	<p>Appointment or cessation of service</p> <p>(7) Any appointment or cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent rank, company secretary, registrar or auditors of the issuer. The announcement of an appointment or cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent rank must contain the information contained in Appendix 7.5.1 or Appendix 7.5.2, as the case may be.</p> <p>(8) Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months.</p> <p>(9) Any appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the issuer to a managerial position in the issuer or any of its principal subsidiaries. The announcement must state the job title, duties and responsibilities of the appointee, and the information required in Rule 704(7)(a), (c), (e), (f), (g) and (h).</p>
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		<p>(10) Any promotion of an appointee referred to in Rule 704(9).</p> <p>(11) Within two months after each financial year, the issuer must make an announcement in the format in Appendix 7.4 of the Listing Manual of each person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer. If there are no such persons, the issuer must make an appropriate negative statement. The SGX-ST may require the issuer to provide additional information on any such person, including his remuneration, any changes to his duties, responsibilities and remuneration package.</p> <p>Appointment of Special Auditors</p> <p>(12) The SGX-ST may require an issuer to appoint a special auditor to review or investigate the issuer's affairs and report its findings to SGX-ST or the issuer's Audit Committee or such other party as the SGX-ST may direct. The issuer may be required by the SGX-ST to immediately announce the requirement, together with such other information as the SGX-ST directs. The issuer may be required by the SGX-ST to announce the findings of the special auditors.</p>
General Meetings		
	<p>Rules 13.73 and 13.39</p> <p>An issuer is required to give notice of every general meeting of its shareholders which should contain details of the meeting including the proposed resolutions, and the date, time and place of the meeting and voting at a general meeting need to be taken on a poll, and the issuer shall announce the results of the poll.</p>	<p>(13) The date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting (excluding the date of notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days before the meeting (excluding the date of notice and the date of meeting).</p>

	<p>Appendix 14 Code on Corporate Governance Practices paragraph E.1.3</p> <p>The HK Listing Rules distinguishes the notice period required for an annual general meeting and other general meetings. At least 20 clear business days' notice in writing is required for any annual general meeting and at least 10 clear business days' notice in writing is required for all other general meetings.</p>	<p>(14) All resolutions put to a general meeting of an issuer, and immediately after such meeting, whether or not the resolutions were passed.</p>
Acquisitions and Realisations		
	<p>Rule 13.23</p> <p>An issuer is required to disclose details of acquisitions and realisations of assets and other transactions as required by Chapter 14 and 14A of the HK Listing Rules, and where applicable shall circularise holders of its securities with details thereof and obtain their approval thereto.</p>	<p>(15) Any acquisition of:–</p> <p>(a) shares resulting in the issuer holding 10% or more of the total number of issued shares excluding treasury shares of a quoted company;</p> <p>(b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5% of the issuer's latest audited consolidated net tangible assets; The announcement must state:–</p> <p>(i) the aggregate cost of the issuer's quoted investments before and after the acquisition, and such amounts as a percentage of the latest audited consolidated net tangible assets of the issuer;</p> <p>(ii) the total market value of its quoted investments before and after the acquisition; and</p> <p>(iii) the amount of any provision for diminution in value of investments;</p>

		<p>(c) shares resulting in a company becoming a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)); and</p> <p>(d) shares resulting in the issuer increasing its shareholding in a subsidiary or an associated company (providing the information required by Rule 1010(3) and (5)).</p> <p>(16) Any sale of:–</p> <p>(a) shares resulting in the issuer holding less than 10% of the total number of issued shares excluding treasury shares of a quoted company;</p> <p>(b) except for an issuer which is a bank, finance company, securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must contain the same information as required under Rule 704(15)(b)(i) to (iii), relating to a sale instead of an acquisition);</p> <p>(c) shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)); and</p> <p>(d) shares resulting in the issuer reducing its shareholding in a subsidiary or an associated company (providing the information required by Rule 1010(3) and (5)).</p>
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		(17) Any acquisition or disposal of shares or other assets which is required to be announced under Chapter 10.
Winding Up, Judicial Management, etc		
	<p>Rules 13.09(1) and 13.25</p> <p>An issuer is required to make an announcement in respect of the winding up or liquidation of the issuer, its holding company or its major subsidiary.</p> <p>Rule 13.19</p> <p>A general disclosure obligation will arise when there is a breach of the terms of loan agreements by the issuer, for loans that are significant to the operations of the issuer and where the lenders have not issued a waiver in respect of that breach.</p>	<p>(18) Any application filed with a court to wind up the issuer or any of its subsidiaries, or to place the issuer or any of its subsidiaries under judicial management.</p> <p>(19) The appointment of a receiver, judicial manager or liquidator of the issuer or any of its subsidiaries.</p> <p>(20) Any breach of any loan covenants or any notice received from principal bankers or from the trustee of any debenture holders to demand repayment of loans granted to the issuer or any of its subsidiaries which, in the opinion of the issuer's directors, would result in the issuer facing a cash flow problem.</p> <p>(21) Where Rule 704(18), (19) or (20) applies, a monthly update must be announced regarding the issuer's financial situation, including:–</p> <ul style="list-style-type: none"> (a) the state of any negotiations between the issuer and its principal bankers or trustee; and (b) the issuer's future direction, or other material development that may have a significant impact on the issuer's financial position. If any material development occurs between the monthly updates, it must be announced immediately.

Announcement of Results, Dividends, etc**Rules 13.09(1)**

An issuer is required to announce its decision on declaration, recommendation or payment of dividends.

Rule 13.43, 13.45(1), (2)

An issuer shall inform the SEHK and publish an announcement at least 7 clear business days in advance of the date fixed for any board meeting at which the declaration, recommendation or payment of a dividend is expected to be decided.

An issuer shall inform the SEHK immediately after approval by the board any decision to declare, recommend or pay any dividend or to make any other distribution on its listed securities and the rate and amount thereof.

(22) Any recommendation or declaration of a dividend (including a bonus or special dividend, (if any)), the rate and amount per share and date of payment. If dividends are not taxable in the hands of shareholders, this must be stated in the announcement and in the dividend advice to shareholders. If there is a material variation in the interim or final dividend rate compared to that for the previous corresponding period, the directors must state the reasons for the variation at the time the dividend is recommended or declared. If the directors decide not to declare or recommend a dividend, this must be announced.

(23) After the end of each of the first three quarters of its financial year, half year or financial year, as the case may be, an issuer must not announce any:–

- (a) dividend;
- (b) capitalisation or rights issue;
- (c) closing of the books;
- (d) capital return;
- (e) passing of a dividend; or
- (f) sales or turnover,

unless it is accompanied by the results of the quarter, half year or financial year, as the case may be, or the results have been announced.

Books Closure

Rule 13.66

An issuer is required to publish a notice of closure of its transfer books or register of members in respect of securities listed in Hong Kong at least 6 business days before such closure in the case of a rights issue, or 10 business days before such closure in other cases. Where the dates of such closure are altered, the issuer is required to publish a further notice.

(24) Any intention to fix a books closure date, stating the date, reason and address of the share registry at which the relevant documents will be accepted for registration. At least 10 market days of notice (excluding the date of announcement and the books closure date) must be given for any books closure date. Subject to the provisions of the Companies Act, the SGX-ST may agree to a shorter books closure period. In fixing a books closure date, an issuer must ensure that the last day of trading on a cum basis falls at least 1 day after the general meeting, if a general meeting is required to be held.

(25) The issuer must not close its books for any purpose until at least 8 market days after the last day of the previous books closure period. This rule does not prohibit identical books closure dates for different purposes.

Treasury Shares

Any sale, transfer, cancellation and/or use of treasury shares, stating the following:—

- (a) Date of the sale, transfer, cancellation and/or use;
- (b) Purpose of such sale, transfer, cancellation and/or use;
- (c) Number of treasury shares sold, transferred, cancelled and/or used;
- (d) Number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (e) Percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) Value of the treasury shares if they are used for a sale or transfer, or cancelled.

Share option scheme	
<p>Chapter 17 of the HK Listing Rules</p> <p>The adoption of share option scheme for employees is subject to the approval of the shareholders of the issuer, and the board shall be authorised by the shareholders to grant options to subscribe for the shares under the scheme and to allot and issue shares pursuant to the exercise of such option. The total number of securities which may be issued upon the exercise of the option to be granted under the scheme and any other schemes must not in aggregate exceed 10% of the relevant class of securities of the scheme of the issuer (or the subsidiary) in issue as at the date of approval of the scheme. The issuer may seek shareholders' approval to refresh the 10% limit under the scheme, in which event the shareholders will also authorise the board to grant option to subscribe for shares under the scheme and to allot and issue the same pursuant to the exercise of such option.</p>	<p>(27) Any grant of options. The announcement must be made on the date of the offer and provide details of the grant, including the following:–</p> <ul style="list-style-type: none"> (a) Date of grant; (b) Exercise price of options granted; (c) Number of options granted; (d) Market price of its securities on the date of grant; (e) Number of options granted to directors and controlling shareholders (and their associates), if any; and (f) Validity period of the options.
Transactions	
<p>Chapter 14 of the HK Listing Rules</p> <p>Under Chapter 14 of the HK Listing Rules, the transactions are classified as:</p> <ul style="list-style-type: none"> (1) share transaction: an acquisition of assets (excluding cash) by a listed issuer where the consideration includes securities for which listing will be sought and where all percentage ratios are less than 5% (2) discloseable transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 5% or more, but less than 25%; (3) major transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 25% or more, but less than 100% for an acquisition or 75% for a disposal; 	<p>Chapter 10 of the Listing Manual (Acquisitions and Realisations)</p> <p>Rule 1004, Listing Manual</p> <p>Transactions are classified into the following categories:–</p> <ul style="list-style-type: none"> (a) Non-Discloseable Transactions, (b) Discloseable Transactions; (c) Major Transactions; and (d) Very substantial acquisitions and reverse takeovers. <p>Rule 1005, Listing Manual</p> <p>In determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004, the Exchange may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction.</p>

<p>(4) very substantial disposal: a disposal or a series of disposals of assets by a listed issuer where any percentage ratio is 75% or more;</p> <p>(5) very substantial acquisition: an acquisition or a series of acquisitions of assets by a listed issuer where any percentage ratio is 100% or more;</p> <p>(6) reverse takeover: an acquisition or a series of acquisitions of assets by a listed issuer which, in the opinion of the SEHK, constitutes, or is part of a transaction or arrangement or series of transactions or arrangements which constitute, an attempt to achieve a listing of the assets to be acquired and a means to circumvent the requirements for new applicants set out in Chapter 8 of the HK Listing Rules.</p> <p>In determining whether a transaction falls into any of the categories above, SEHK may aggregate a series of transactions completed within a 12 month period and treat them as if they were one transaction.</p> <p>The relevant category that a transaction falls under depends on the following percentage ratios computed on the following basis:</p> <p>(1) Asset ratio: the total assets which are the subject of the transaction divided by the total assets of the listed issuer;</p> <p>(2) Profits ratio: the profits attributable to the assets which are the subject of the transaction divided by the profits of the listed issuer;</p> <p>(3) Revenue ratio: the revenue attributable to the assets which are the subject of the transaction divided by the revenue of the listed issuer;</p>	<p>Rule 1006, Listing Manual</p> <p>A transaction may fall into category (a), (b), (c) or (d) of Rule 1004 depending on the size of the relative figures computed on the following bases:–</p> <p>(a) The net asset value of the assets to be disposed of compared with the group’s net asset value. This basis is not applicable to an acquisition of assets.</p> <p>(b) The net profits attributable to the assets acquired or disposed of, compared with the group’s net profits.</p> <p>(c) The aggregate value of the consideration given or received, compared with the issuer’s market capitalisation based on the total number of issued shares excluding treasury shares.</p> <p>(d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.</p> <p>Rule 1007, Listing Manual</p> <p>(1) If any of the relative figures computed pursuant to Rule 1006 is a negative figure, Chapter 10 of the Listing Manual may still be applicable to the transaction at the discretion of the SGX-ST, and issuers should consult the SGX-ST.</p> <p>(2) Where the disposal of an issuer’s interest in a subsidiary is undertaken in conjunction with an issue of shares by that subsidiary, the relative figures in Rule 1006 must be computed based on the disposal and the issue of shares.</p>
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<p>(4) Consideration ratio: the consideration divided by the total market capitalisation of the listed issuer. The total market capitalisation is the average closing price of the listed issuer's securities as stated in the SEHK's daily quotations sheets for the five business days immediately preceding the date of the transaction; and</p> <p>(5) Equity capital ratio: the nominal value of the listed issuer's equity capital issued as consideration divided by the nominal value of the listed issuer's issued equity capital immediately before the transaction.</p> <p>An announcement in respect of the above transactions shall be made by the listed issuer as soon as possible after the terms of such transactions have been finalised.</p> <p>Further, major transaction, very substantial disposal, very substantial acquisition and reverse takeover requires prior shareholders' approval.</p>	<p>Summarily, transactions are categorised as follows:–</p> <ul style="list-style-type: none"> • Non-Discloseable Transaction: Where any of the relative figures in Rule 1006 is 5% or less • Discloseable Transaction: Where any of the relative figures in Rule 1006 exceeds 5% but does not exceed 20% • Major Transaction: Where any of the relative figures in Rule 1006 exceeds 20% • Very substantial acquisition or reverse takeover: Where any of the relative figures in Rule 1006 is 100% or more, or where there is a change in control of the issuer <p>Rule 1008(1), Listing Manual</p> <p>Where a transaction is classified as a Non-Discloseable Transaction, unless Rule 703, 905 or 1009 of the Listing Manual applies, no announcement of the transaction is required.</p> <p>Rule 1009, Listing Manual</p> <p>If the consideration is satisfied wholly or partly in securities for which listing is being sought, the issuer must announce the transaction as soon as possible after the terms have been agreed, stating the information set out in Chapter 10 Part VI of the Listing Manual.</p> <p>Rule 1010, Rule 1014(1) and Rule 1015(1), Listing Manual</p> <p>Where a transaction is classified as a Discloseable Transaction, Major Transaction or Very Substantial Acquisition/Reverse Takeover, the Company must make an immediate announcement, which includes the details prescribed in Rule 1010 of the Listing Manual (as set out below).</p> <p>(1) Particulars of the assets acquired or disposed of, including the name of any company or business, where applicable;</p>
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		<ul style="list-style-type: none"> (2) A description of the trade carried on, if any; (3) The aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment; (4) Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof; (5) The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation; (6) In the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds. In the case of an acquisition, the source(s) of funds for the acquisition; (7) The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal; (8) The effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year; (9) The effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year; (10) The rationale for the transaction including the benefits which are expected to accrue to the issuer as a result of the transaction;
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		<p>(11) Whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests;</p> <p>(12) Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction; and</p> <p>(13) The relative figures that were computed on the bases set out in Rule 1006.</p> <p>Rule 1014(2) and Rule 1015(2) of the Listing Manual</p> <p>Further, transactions that are Major Transactions or Very Substantial Acquisitions/Reverse Takeovers are subject to the prior approval of shareholders. A circular to shareholders will need to be distributed to seek such approval. The disclosures required to be made in such circular for these types of transactions are prescribed in the Listing Manual.</p> <p>Rule 1015(1)(b) and Rule 1015(2) of the Listing Manual</p> <p>For transactions that are Very Substantial Acquisitions or Reverse Takeovers, the issuer must also announce the latest three years of proforma financial information of the assets to be acquired and obtain the approval of the SGX-ST.</p> <p>The enlarged group must also comply with the requirements in Rule 1015(3) of the Listing Manual.</p>
Announcement of financial results and annual reports		
2.	<p>Chapter 13 of the HK Listing Rules</p> <p>An issuer is required to:</p> <p>(1) publish its annual report within 4 months after its financial year end;</p> <p>(2) publish its interim report within 3 months after the end of the first half year period in its financial year;</p>	<p>Rule 705, Listing Manual: Financial Statements</p> <p>(1) An issuer must announce the financial statements for the full financial year (as set out in Appendix 7.2 of the Listing Manual) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.</p>

	<p>(3) announce its preliminary results for each financial year (i) for annual accounting periods ending before 31 December 2010 — within 4 months after its financial year end, and (ii) for annual accounting periods ending on or after 31 December 2010 - within 3 months after its financial year end; and</p> <p>(4) announce its preliminary results for the first half of each of its financial year period (i) for half-year accounting periods ending before 30 June 2010 - within 3 months after the end of such half year period, and (ii) for half year accounting periods ending on or after 30 June 2010 - within 2 months after the end of such half year period.</p>	<p>(2) An issuer must announce the financial statements for each of the first three quarters of its financial year (as set out in Appendix 7.2 of the Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the quarter end if:–</p> <p>(a) its market capitalisation exceeded S\$75 million as at 31 March 2003; or</p> <p>(b) it was listed after 31 March 2003 and its market capitalisation exceeded S\$75 million at the time of listing (based on the IPO issue price); or</p> <p>(c) its market capitalisation is S\$75 million or higher on the last trading day of each calendar year commencing from 31 December 2006. An issuer whose obligation falls within this sub-section (c) will have a grace period of a year to prepare for quarterly reporting. As an illustration, an issuer whose market capitalisation is S\$75 million or higher as at the end of the calendar year 31 December 2006 must announce its quarterly financial statements for any quarter of its financial year commencing in 2008. Notwithstanding the grace period, all issuers whose obligation falls under this sub-section (c) are strongly encouraged to adopt quarterly reporting as soon as possible.</p> <p>(3) (a) An issuer who falls within the sub-sections in Rule 705(2) above must comply with Rule 705(2) even if its market capitalisation subsequently decreases below S\$75 million.</p>
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		<p>(b) An issuer who does not fall within the sub-sections in Rule 705(2) above must announce its first half financial statements (as set out in Appendix 7.2 of the Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the relevant financial period.</p> <p>(4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705(1) or (2) following its listing on SGX-ST, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to make the relevant announcement of the financial statements provided that the following conditions are satisfied:</p> <p>(a) the extension is announced by the issuer at the time of the issuer's listing; and</p> <p>(b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its prospectus or introductory document issued in connection with its listing on SGX-ST.</p> <p>(5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, Directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by 2 directors on behalf of the board of directors.</p>
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Appointment of Auditors		
	<p>Rule 4.03</p> <p>All accountant's reports must be prepared by certified public accountants who are qualified under the Professional Accountants Ordinance of the Laws of Hong Kong for appointment as auditors of a company and who are independent of both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance of the Laws of Hong Kong and in accordance with the requirements on independence issued by the Hong Kong Institute of Certified Public of Accountants.</p> <p>Section 131 of HKCO</p> <p>Subsection (1) provides rotation of auditors in every annual general meeting.</p> <p>Subsection (6) provides that a company may by ordinary resolution remove an auditor before expiration of his term of office.</p> <p>Rule 13.51(4)</p> <p>An issuer shall inform the SEHK and publish an announcement upon any change in its auditors and reasons for the change.</p>	<p>Rules 712 and 713 of the Listing Manual</p> <p>Rule 712:</p> <p>(1) An issuer must appoint a suitable accounting firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the accounting firm and the persons assigned to the audit, the firm's audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit.</p> <p>(2) A change in auditors must be specifically approved by shareholders in a general meeting.</p> <p>Rule 713</p> <p>(1) An issuer must disclose in its annual report the date of appointment and the name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than 5 consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after two years.</p> <p>(2) If the listing of an issuer occurs after 5 consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in which the issuer lists.</p>

Public Float Requirement	
<p>3.</p>	<p>Rule 8.08</p> <p>Save and except for the circumstances specified under Chapter 8 of the HK Listing Rules, an issuer must ensure that at least 25% of its total issued share capital at all times is held by the public at all times.</p>
<p>Rule 723 of the Listing Manual</p> <p>Under Rule 723 of the Listing Manual, an issuer must 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.</p> <p>Rule 724 of the Listing Manual</p> <p>Under Rule 724 of the Listing Manual, if the percentage of securities held in public hands falls below 10%, the issuer must, as soon as practicable, make an announcement of that fact and the SGX-ST may suspend trading of the class, or all the securities of the issue.</p> <p>Rule 725 of the Listing Manual</p> <p>Under Rule 725 of the Listing Manual, the SGX-ST may allow the issuer a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10%, failing which the issuer may be delisted if it fails to restore the percentage of securities in public hands to at least 10% after the period.</p>	
Reporting Obligations of Shareholders	
<p>4.</p>	<p>Part XV of the SFO</p> <p>Substantial shareholders, being individuals and corporations who are interested in 5% or more of any class of voting shares in an issuer must disclose their interests and short positions in voting shares of such issuer upon the occurrence of the relevant events as prescribed under the SFO.</p> <p>For relevant events falling under the category of “Initial Notification” as provided for under section 2.7 of the “Outline of Part XV of the SFO - Disclosure of Interests” issued by the SFC (the “Outline”), the time allowed for filing a notice is 10 business days after the occurrence of the relevant event. As for other relevant events, the time allowed for filing a notice is 3 business days after the occurrence of the relevant event.</p>
<p>Rule 704(3) of the Listing Manual</p> <p>Under Rule 704(3) of the Listing Manual, any notice of substantial shareholders’ and directors’ interests in the issuer’s securities or changes thereof received by the issuer must be announced immediately. Such notice must contain the particulars set out in Appendix 7.3 of the Listing Manual.</p> <p>Section 81 of the Companies Act</p> <p>A person has a substantial shareholding in a company being a company the share capital of which is divided into 2 or more classes of shares, if (a) he has an “interest” in or interests in one or more voting shares included in one of those classes; and (b) the total votes attached to that share, or those shares is not less than 5.0% of the total votes attached to all the voting shares included in that class.</p>	

	<p>“voting shares” exclude treasury shares and a person who has a substantial shareholding in a company is a substantial shareholder in that company.</p> <p>Section 82 of the Companies Act</p> <p>A substantial shareholder of a company is required to notify the company in writing of his “interests” in the voting shares in the company within two business days after becoming a substantial shareholder, stating his name and address and full particulars (including unless the interest or interests cannot be related to a particular share or shares the name of the person who is registered as the holder) of the voting shares in the company in which he has an interest or interests and full particulars of each such interest and of the circumstances by reason of which he has that interest.</p> <p>The notice shall be so given notwithstanding that the person has ceased to be a substantial shareholder before the expiration of the two business days.</p> <p>Sections 83 and 84 of the Companies Act</p> <p>A substantial shareholder is required to notify the company in writing of changes in the “percentage level” of his shareholding or his ceasing to be a substantial shareholder, again within two business days after he is aware of such changes.</p> <p>The reference to changes in “percentage level” means the percentage figure ascertained by expressing the total votes attached to all the voting shares in which the substantial shareholder has an interest or interests immediately before or (as the case may be) immediately after the relevant time as a percentage of the total votes attached to—</p> <p>(a) all the voting shares in the company; or</p>
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		<p>(b) where the share capital of the company is divided into 2 or more classes of shares, all the voting shares included in the class concerned,</p> <p>and, if it is not a whole number, rounding that figure down to the next whole number.</p> <p>The notice must contain</p> <p>(a) the name and address of the substantial shareholder;</p> <p>(b) the date of the change and the circumstances leading to that change; and</p> <p>(c) such other particulars as may be prescribed.</p> <p>Section 137(1), Securities and Futures Act (“SFA”)</p> <p>A substantial shareholder is also required to give the above notifications to the SGX-ST at the same time.</p>
5.	<p>Part XV of the SFO</p> <p>Directors and chief executives of an issuer must disclose any of their interests and short positions in any shares in the issuer (or any of its associated corporations) and their interests in any debentures or the issuer (or any of its associated corporations) upon the occurrence of the relevant events as prescribed under the SFO.</p> <p>For relevant events falling under the category of “Initial Notification” as provided for under section 3.9 of the Outline, the time allowed for filing a notice is 10 business days. As for other relevant events, the time allowed for filing a notice is 3 business days after the occurrence of the relevant event.</p>	Please see paragraph 4 above.

Repurchase of Shares	
6.	Share Buyback
<p>Rule 10.06(1) and (5)</p> <p>An issuer with primary listing on SEHK can purchase its shares on SEHK if the relevant shares are fully-paid up, the issuer has provided its shareholders with the information as required by Rule 10.06(1) of the HK Listing Rules and that the shareholders of the issuer have given a specific approval or a general mandate to the directors to make such purchase(s), provided that the amount of shares so purchased under the general mandate shall not exceed 10% of the issued share capital of the issuer as at the date of the passing of the relevant shareholders' resolution granting the mandate of purchase. The listing and documents of title of shares repurchased are cancelled upon the repurchase.</p> <p>Rule 10.06(1)(a)</p> <p>For the purpose of obtaining shareholders' approval, the issuer must have previously sent to its shareholders an Explanatory Statement which sets out information required under Rule 10.06(1)(b) of the HK Listing Rules, including:</p> <ol style="list-style-type: none"> (1) the total number and description of shares which the issuer proposes to purchase; (2) reasons for the proposed purchase of shares; (3) proposed source of funds for making the proposed purchase of shares; (4) any material adverse impact on the working capital or gearing position of the issuer in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period; 	<p>(a) Shareholder Approval</p> <p>Rule 881, Listing Manual</p> <p>An issuer may purchase its own shares ("share buy-back") if it has obtained the prior specific approval of shareholders in general meeting.</p> <p>Rule 882, Listing Manual:</p> <p>A share buy-back may only be made by way of on-market purchases transacted through SGX-ST's Central Limit Order Book trading system ("market acquisition") or on another stock exchange on which the issuer's securities are listed or by way of an off-market acquisition in accordance with an equal access scheme as defined in section 76C of the Companies Act.</p> <p>Rule 883, Listing Manual</p> <p>For the purpose of obtaining shareholder approval, the issuer must provide at least the following information to shareholders:–</p> <ol style="list-style-type: none"> (1) The information required under the Companies Act, if applicable; (2) The reasons for the proposed share buy-back; (3) The consequences, if any, of share purchases by the issuer that will arise under the Singapore Code or other applicable takeover rules; (4) Whether the share buy-back, if made, could affect the listing of the issuer's equity securities on the SGX-ST;

<p>(5) particulars of the directors who have a present intention to sell shares to the issuer in the event that the proposal is approved by shareholders;</p> <p>(6) undertaking by the directors to the SEHK to exercise the power of the issuer to make purchases pursuant to the proposed resolution in accordance with the HK Listing Rules and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;</p> <p>(7) the consequences of any purchases which will arise under the HK Takeovers Code of which the Directors are aware, if any;</p> <p>(8) details of any purchases by the issuer of share made in previous 6 months (whether on SEHK or otherwise);</p> <p>(9) whether or not any connected persons of the issuer have notified the issuer that they have any present intention to sell shares to the issuer or have undertaken not to sell any of the shares held by them to the issuer, in the event that the issuer is authorised to make purchases of shares;</p> <p>(10) the highest and lowest prices at which the relevant shares have traded on the SEHK during each of the previous 12 months; and</p> <p>(11) the disclaimer of the SEHK in the form set out under the HK Listing Rules.</p>	<p>(5) Details of any share buy-back made by the issuer in the previous 12 months (whether market acquisitions or off-market acquisitions 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; and</p> <p>(6) Whether the shares purchased by the issuer will be cancelled or kept as treasury shares.</p>
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Dealing Restrictions	
<p>Rule 10.06(2)</p> <p>The repurchase of shares by an issuer is subject to various dealing restrictions, including, among others, that an issuer shall not purchase its shares on the SEHK if the purchase price is higher by 5% or more than the average closing market price for the 5 preceding trading days on which its shares were traded on the SEHK.</p>	<p>Rule 884, Listing Manual</p> <p>In the case of a Market Acquisition, the purchase price must not exceed 105% of the Average Closing Price.</p> <p>“Average Closing Price” means the average of the closing market prices of a share over the last 5 market days, on which transactions in the shares were recorded, preceding the day of the Market Acquisition and deemed to be adjusted for any corporate action that occurs after the relevant 5 day period.</p>
Reporting Requirements	
<p>Rule 10.06(4)</p> <p>An issuer is required to report to the SEHK within 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase of shares on a return in such form and containing such information as the SEHK may from time to time prescribe.</p>	<p>Rule 886(1), Listing Manual</p> <p>An issuer must notify SGX-ST of any share buy-back as follows:–</p> <ul style="list-style-type: none"> (a) in the case of a market acquisition, by 9.00 am on the market day following the day on which it purchased shares, (b) in the case of an off market acquisition under an equal access scheme, by 9.00 am on the second market day after the close of acceptances of the offer. <p>Rule 886(2), Listing Manual</p> <p>Notification of a purchase by the company of its shares must be in the form of Appendix 8.3.2 of the Listing Manual (for an issuer with a dual listing on another stock exchange).</p>

		Such notification would include, <i>inter alia</i> , the name of the overseas exchange on which the company's shares are also listed, the maximum number of shares authorised for purchase, details of the total number of shares authorised for purchase, the date of purchases, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share, the highest and lowest prices paid for such shares, the total purchase consideration, the cumulative number of shares purchased to date and the number of issued shares excluding treasury shares after the purchase and the number of treasury shares held after purchase.
Solicitation for Proxy		
7.	Investors holding securities in listed companies listed on the SEHK through CCASS who want to attend the shareholders' meetings in person or appoint proxies to vote on their behalf have to give instructions to CCASS directly or through their broker firms (as the case may be) to authorise the investors or their nominees as corporate representatives or proxies of HKSCC Nominees Limited (or any successor thereto) in respect of such shareholding of the investors in the listed companies.	Depositors who wish to attend and vote at the EGM, and whose names are shown in the records of CDP as at a time not earlier than 48 hours prior to the time of the EGM supplied by CDP to the Company, may attend the EGM in person. Such Depositors who are individuals and who wish to attend the EGM in person need not take any further action and can attend and vote at the EGM.
Issuance of New Shares, Convertible Bonds or Bonds with Warrants		
	<p>Rule 13.36(5)</p> <p>In case of a placing of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given by its shareholders if the relevant price represents a discount of 20% or more to the benchmarked price of the securities prescribed under the HK Listing Rules, unless the SEHK is satisfied that the issuer is in a serious financial position and the only way that it can be saved is by an urgent rescue operation, or that there are other exceptional circumstances.</p>	<p>Pricing formulae prescribed under the Listing Manual for various issues of additional securities</p> <p>Issue of Shares, Company Warrants and Convertible Securities For Cash (Other than Rights Issues)</p> <p>Rule 811, Listing Manual</p> <p>(1) An issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed.</p>

	<p>(2) An issue of company warrants or other convertible securities is subject to the following requirements:-</p> <p>(a) if the conversion price is fixed, the price must not be more than 10% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement.</p> <p>(b) if the conversion price is based on a formula, any discount in the price-fixing formula must not be more than 10% of the prevailing market price of the underlying shares before conversion.</p> <p>(3) Rule 811(1) and (2) is not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.</p> <p>(4) Where specific shareholders' approval is sought, the circular must include the following:-</p> <p>(a) information required under Rule 810 of the Listing Manual; and</p> <p>(b) the basis upon which the discount was determined.</p> <p>Issue of Company Warrants or other Convertible Securities by way of a Rights Issue or Bought Deal</p>
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	<p>Rule 15.02</p> <p>The securities to be issued on exercise of warrants to subscribe securities must not, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued equity capital of the issuer at the time such warrants are issued. Options granted under employee or executive share schemes which comply with Chapter 17 of the HK Listing Rules are excluded for the purpose of this limit.</p> <p>Also, such warrants must expire not less than 1 and not more than 5 years from the date of issue or grant and must not be convertible into further rights to subscribe securities which expire less than 1 year or more than 5 years after the date of issue or grant of the original warrants.</p>	<p>Rule 824, Listing Manual</p> <p>Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.</p> <p>Rule 825, Listing Manual</p> <p>In procuring the approval of shareholders in a general meeting, the circular to the shareholders must include the recommendations of the board of directors of the issuer on such an issue of company warrants or convertible securities and the basis for such recommendation(s). Rule 829, Listing Manual</p> <p>The terms of the issue must provide for:–</p> <ol style="list-style-type: none"> (1) adjustment to the exercise or conversion price and, where appropriate, the number of company warrants or other convertible securities, in the event of rights, bonus or other capitalisation issues; (2) The expiry of the company warrants or other convertible securities to be announced, and notice of expiry to be sent to all holders of the company warrants or other convertible securities at least 1 month before the expiration date; and (3) Any material alteration to the terms of company warrants or other convertible securities after issue to the advantage of the holders of such securities to be approved by shareholders, except where the alterations are made pursuant to the terms of the issue.
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	<p>Rule 15.03</p> <p>The circular or notice to be sent to shareholders convening the requisite meeting under Rule 15.02 must include at least the following information:</p> <ol style="list-style-type: none"> (1) the maximum number of securities which would be issued on exercise of the warrants; (2) the period during which the warrants may be exercised and the date when this right commences; (3) the amount payable on the exercise of the warrants; (4) the rights of the holders on the liquidation of the issuer; (5) the arrangements for transfer or transmission of the warrants; (6) the arrangements for the variation in the subscription or purchase price or number of securities to take account of alterations to the share capital of the issuer; 	<p>Rule 830, Listing Manual</p> <p>An issuer must announce any adjustment made pursuant to Rule 829(1).</p> <p>Rule 831, Listing Manual</p> <p>Except where the alterations are made pursuant to the terms of an issue, an issuer must not:–</p> <ol style="list-style-type: none"> (i) extend the exercise period of an existing company warrant; (ii) issue a new company warrant to replace an existing company warrant; (iii) change the exercise price of an existing company warrant; or (iv) change the exercise ratio of an existing company warrant. <p>Rule 832, Listing Manual</p> <p>A circular or notice to be sent to shareholders in connection with a general meeting to approve the issue of company warrants or other convertible securities must include at least the following information:–</p> <ol style="list-style-type: none"> (1) The maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities. (2) The period during which the company warrants or other convertible securities may be exercised and the dates when this right commences and expires. (3) The amount payable on the exercise of the company warrants or other convertible securities. (4) The arrangements for transfer or transmission of the company warrants or other convertible securities. (5) The rights of the holders on the liquidation of the issuer.
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	<p>(7) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer; and</p> <p>(8) a summary of any other material terms of the warrants.</p>	<p>(6) The arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer.</p> <p>(7) The rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer.</p> <p>(8) A summary of any other material terms of the company warrants or other convertible securities.</p> <p>(9) The purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/exercise of the company warrants or other convertible securities.</p> <p>(10) The financial effects of the issue to the issuer.</p> <p>Rule 833, Listing Manual</p> <p>The following additional requirements apply to an offer of company warrants or other convertible securities by way of a rights issue or bought deal:–</p> <p>(1) The issuer’s announcement of the rights issue or bought deal must include either:–</p> <p>(a) the exercise or conversion price of the company warrants or other convertible securities, or</p> <p>(b) a price-fixing formula to determine the exercise or conversion price. The price-fixing formula must not contain any discretionary element and the amount of premium or discount (in relation to the underlying share price) must be specified.</p> <p>(2) Where a price-fixing formula is adopted:–</p> <p>(a) if the issue is not underwritten, the issuer must fix and announce the exercise or conversion price before the close of the offer; or</p>
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		<p>(b) if the issue is underwritten, the issuer must fix and announce the exercise or conversion price before the commencement of nil-paid rights trading.</p> <p>(3) An offer of company warrants or convertible securities by way of a bought deal must comply with Chapter 8 Part V of the Listing Manual.</p> <p>Rule 834, Listing Manual</p> <p>For the purpose of this Part, a “bought deal” is an issue of company warrants or other convertible securities to a financial institution which will in turn offer them to the issuer’s shareholders on a pro-rata basis, usually in conjunction with a loan facility provided by that financial institution to the issuer.</p> <p>Rule 835, Listing Manual</p> <p>An issuer making a bonus issue of company warrants must also comply with Rules 836 and 837 of the Listing Manual.</p>
Share Option Schemes or Share Schemes		
	<p>Rule 17.03</p> <p>The terms and provisions of the scheme must provide, inter alia:</p> <p>(1) the total number of securities which may be issued upon exercise of all options to be granted under the scheme and any other schemes must not in aggregate exceed 10% of the relevant class of securities of the issuer (or the subsidiary) in issue as at the date of approval of the scheme;</p> <p>(2) the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the issuer (or subsidiary) in issue from time to time;</p>	<p>Rule 845, Listing Manual</p> <p>A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one participant (where applicable) must be stated. For SGX-ST Main Board issuers, the following limits must not be exceeded:–</p> <p>(1) The aggregate number of shares available under all schemes must not exceed 15% of the total number of issued shares excluding treasury shares from time to time;</p> <p>(2) The aggregate number of shares available to controlling shareholders and their associates must not exceed 25% of the shares available under a scheme;</p>

<p>(3) the maximum entitlement of each participant under the scheme (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the relevant class of securities of the issuer (or the subsidiary) in issue; and</p> <p>(4) the exercise price of the scheme, which must be at least the higher of: (i) the closing price of the securities as stated in the SEHK's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in the SEHK's daily quotations sheets for the five business days immediately preceding the date of grant.</p> <p>(5) the period within which the securities must be taken up under the option, which must not be more than 10 years from the date of grant of the option;</p> <p>(6) the minimum period, if any, for which an option must be held before it can be exercised;</p> <p>(7) the performance targets, if any, that must be achieved before the options can be exercised or if none, a negative statement to that effect;</p> <p>(8) the amount, if any, payable on application or acceptance of the option and the period within which payments or calls must be made or loans for such purposes must be repaid;</p> <p>(9) the basis of determination of the exercise price; and</p> <p>(10) the voting, dividend, transfer and other rights, including those arising on a liquidation of the listed issuer, attaching to the securities and (if appropriate) any such rights attaching to the options themselves.</p>	<p>(3) The number of shares available to each controlling shareholder or his associate must not exceed 10% of the shares available under a scheme;</p> <p>(4) The aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20% of the shares available under a scheme; and</p> <p>(5) The maximum discount under the scheme must not exceed 20%. The discount must have been approved by shareholders in a separate resolution.</p>
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	<p>Rule 17.04(1)</p> <p>A grant of options to a director, chief executive or substantial shareholder of the listed company or any of their associates must be approved by its independent non-executive directors.</p> <p>Where any grant of options to a substantial shareholder or an independent non-executive director or its or his associate would result in the securities issued or to be issued upon exercise of all options granted to such person within 12 months exceeding 0.1% of the relevant class of securities in issue and having an aggregate value based on closing price in excess of HK\$5,000,000, such further grant must be approved by the shareholders.</p>	<p>Offering of Securities in Singapore</p> <p>Section 240(1), SFA</p> <p>No person shall make an offer of securities in Singapore unless that offer is accompanied by a prospectus or falls within any of the exemptions provided under the SFA.</p>
<p>Power of Directors to Allot and Issue Shares</p>		
	<p>Section 57B of the HKCO and Rule 13.36 of the HK Listing Rules</p> <p>Powers of directors to issue and allot shares or otherwise grant securities convertible into shares or options or warrants or similar rights to subscribe for any shares or such convertible securities are usually vested in them subject to the provisions in the memorandum and articles of association of the issuer. Notwithstanding anything in a company's memorandum or articles, the directors shall not without the prior approval of the company in general meeting exercise any power of the company to allot shares. However, no such prior approval from shareholders of an issuer is required in relation to the allotment of shares in the issuer under an offer made pro rata by the issuer to its members. Shareholders may grant a general mandate to the directors the issue and allot shares, provided that the amount of shares to be issued in aggregate must be within 20% of the total amount of issued shares of the issuer at the time when the mandate was granted.</p>	<p>Rule 806(1), Listing Manual</p> <p>A company need not obtain the prior approval of shareholders in a general meeting for the issue of securities if the shareholders had by ordinary resolution in a general meeting, given a mandate to the directors of the issuer either unconditionally or on such conditions to issue these securities.</p> <p>Rule 806(2), Listing Manual</p> <p>A general mandate must limit the aggregate number of shares and convertible securities that may be issued. The limit must be not more than 50% of the total number of issued shares excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20% of the total number of issued shares excluding treasury shares. Unless prior shareholder approval is required under the Listing Rules, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.</p>

	<p>A general mandate to directors to issue and allot shares shall only continue in force until (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution at which time it shall lapse, unless such mandate is renewed by the shareholders; or (b) revoked or varied by the shareholders at general meeting.</p>	<p>Rule 806(6), Listing Manual</p> <p>A general mandate may remain in force until the earlier of the following:–</p> <p>(a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution. By an ordinary resolution passed at that meeting, the mandate may be renewed, either unconditionally or subject to conditions; or</p> <p>(b) it is revoked or varied by ordinary resolution of the shareholders in general meeting.</p>
Specific Mandate		
	<p>Rule 13.36(1)(a)</p> <p>Unless otherwise excepted under the Listing Rules, which include the issue and allotment pursuant to a general mandate granted to the directors of the issuer, the directors of the issuer shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting any shares, securities convertible into shares, options, warrants or similar rights to subscribe for any shares or such convertible securities.</p> <p>The SEHK, in determining whether to grant listing approval and permission to deal in shares of an issuer, will take into account various factors including whether the issuer has complied with the HK Listing Rules and if full disclosure of the material facts relating to the issue of shares have been made.</p>	<p>Rule 824, Listing Manual</p> <p>Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.</p> <p>Rule 864, Listing Manual</p> <p>In considering an application for listing of additional equity securities SGX-ST takes into account, among other factors, the following:–</p> <p>(1) Rationale for the issue;</p> <p>(2) Whether the issuer is and has been in compliance with the listing rules;</p> <p>(3) Whether the issuer has made full disclosure of the material facts relating to the issue necessary for SGX-ST to decide on the application.</p>
Prohibition of Unfair Trading Activities		
9.	<p>Section 270 of the SFO</p> <p>In general terms, subject to the specified exempted circumstances, Section 270 of the SFO prohibits persons from dealing in listed securities (or their derivatives) of a corporation, or otherwise counsels or procures another person to deal in such listed shares (or their derivatives) when such person is connected with the corporation and has information which he knows is relevant information in relation to the corporation.</p>	<p>Sections 218 and 219, SFA</p> <p>Sections 218 and 219 of the SFA prohibit persons from dealing in securities of a corporation if person knows or reasonably ought to know that he is in possession of information that is not generally available, which is expected to have a material effect on the price or value of securities of that corporation.</p>

	Securities Market Manipulation	
10.	<p>Section 278 of the SFO</p> <p>In general terms, Section 278 of the SFO prohibits persons to carry out 2 or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction increase, or are likely to affect the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to purchase or subscribe for, or to refrain from selling, securities of the corporation or of a related corporation of the corporation.</p>	<p>Section 198(1), SFA</p> <p>No person shall effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilising the price of securities of the corporation on a securities market, with intent to induce other persons to subscribe for, purchase or sell securities of the corporation or of a related corporation.</p>
	Board composition	
11.	<p>Rules 3.10 and 8.12</p> <p>Every board of directors of an issuer must include at least three independent non-executive directors. A new applicant applying for a primary listing on the SEHK must have sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident of Hong Kong.</p>	<p>Rule 720, Listing Manual</p> <p>An issuer must comply with Rule 210(5) and Rule 221 (if applicable) on a continuing basis.</p> <p>(1) Without limiting the generality of the foregoing, where a director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds, he must immediately resign from the board of directors of the issuer. An announcement containing the details in Appendix 7.5.2 of the Listing Manual must be made.</p> <p>Rule 210(5)(c), Listing Manual</p> <p>The issuer's board must have at least two non-executive directors who are independent and free of any material business or financial connection with the issuer.</p> <p>Rule 221, Listing Manual</p> <p>A foreign issuer must have at least two independent directors, resident in Singapore.</p>

	Audit Committee	
12.	<p>Rules 3.21, 3.22 and paragraph C.3 of Appendix 14 of the HK Listing Rules</p> <p>Every listed issuer must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise. The board of directors of the listed issuer must approve and provide written terms as required under Rules 3.10 and 3.21 of reference for the audit committee.</p>	<p>Rule 11 of the Code of Corporate Governance (“COCG”)</p> <p>The Board of Directors should establish an Audit Committee (“AC”) with written terms of reference which clearly set out its authority and duties.</p> <p>Rule 11.1, COCG</p> <p>The AC should comprise at least three directors, all non-executive, the majority of whom, including the Chairman, should be independent.</p> <p>Rule 11.2, COCG</p> <p>The Board of Directors should ensure that at least 2 members of the AC should have accounting or related financial management expertise or experience.</p>
	Remuneration Committee	
	<p>Rule 3.25 & paragraph B.1 of Appendix 14 of the HK Listing Rules</p> <p>It is a recommended best practice that issuers should establish a remuneration committee with specific written terms of reference. A majority of the members of the remuneration committee should be independent non-executive directors.</p>	<p>Rule 7.1, COCG</p> <p>The Board of Directors should set up a Remuneration Committee (“RC”) comprising entirely of non-executive directors, the majority of whom, including the Chairman, should be independent.</p>
	Nominating Committee	
	<p>Rule 3.25 & paragraph A.4 of Appendix 14 of the HK Listing Rules</p> <p>Issuers should establish a nomination committee. A majority of the members should be independent non-executive directors.</p>	<p>Rule 4.1, COCG</p> <p>Companies should establish a Nominating Committee (“NC”) to make recommendations to the Board on all board appointments. The NC should comprise at least 3 directors, a majority of whom, including the Chairman, should be independent.</p> <p>In addition, the NC Chairman should be a director who is not, or who is not directly associated, with a substantial shareholder (with interest of 5% or more in the voting shares of the company).</p>

Interested Person Transactions or Connected Transactions

13.	<p>Chapter 14A of the HK Listing Rules</p> <p>Chapter 14A of the HK Listing Rules specifies circumstances in which transactions between an issuer and certain specified persons (including connected persons) are, unless otherwise exempted, subject to the reporting, announcement and independents shareholders' approval requirements and in the case of continuing connected transactions, annual review requirements.</p> <p>"Connected person" is defined to include a director, chief executive or substantial shareholder of the listed issuer, any person who was a director of the listed issuer within the preceding 12 months, a supervisor of a PRC issuer (as defined under the HK Listing Rules), any associate (with meaning ascribed to it under the HK Listing Rules) of the respective persons as aforesaid, any non wholly-owned subsidiary of the listed issuer where any connected person(s) of the listed issuer (other than at the level of its subsidiaries) is/are (individually or together) entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of such non wholly-owned subsidiary, and any subsidiary of a non wholly-owned subsidiary.</p>	<p>Chapter 9, Listing Manual</p> <p>Chapter 9 of the Listing Manual, which applies to the Company, prescribes situations in which transactions between entities at risk (as defined in the Listing Manual) and interested persons (as defined in the Listing Manual) are required to be disclosed or are subject to the prior approval of shareholders.</p> <p>Rule 904, Listing Manual</p> <p>For the purposes of Chapter 9, the following definitions apply:–</p> <p>(1) "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to this Chapter.</p> <p>(2) "entity at risk" means:</p> <p>(a) the issuer;</p> <p>(b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or</p> <p>(c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.</p> <p>(3) "financial assistance" includes:</p> <p>(a) the lending or borrowing of money, the guaranteeing or providing security for a debt incurred or the indemnifying of a guarantor for guaranteeing or providing security; and</p> <p>(b) the forgiving of a debt, the releasing of or neglect in enforcing an obligation of another, or the assuming of the obligations of another.</p>
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		<p>(4) In the case of a company, “interested person” means:</p> <ul style="list-style-type: none"> (a) a director, chief executive officer, or controlling shareholder of the issuer; or (b) an associate of any such director, chief executive officer, or controlling shareholder. <p>(5) “interested person transaction” means a transaction between an entity at risk and an interested person.</p> <p>(6) “transaction” includes:–</p> <ul style="list-style-type: none"> (a) the provision or receipt of financial assistance; (b) the acquisition, disposal or leasing of assets; (c) the provision or receipt of services; (d) the issuance or subscription of securities; (e) the granting of or being granted options; and (f) the establishment of joint ventures or joint investments; <p>whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).</p>
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<p>Chapter 14A of the Listing Rules</p> <p>In general, where any connected transaction is proposed, the transaction must be announced publicly and a circular must be sent to shareholders giving information about the transaction. Prior approval of the independent shareholders in general meeting will be required before the transaction can proceed, unless it is otherwise exempted under the HK Listing Rules. Certain categories of transactions are exempt from the disclosure and independent shareholders' approval requirements, and certain transactions are subject only to disclosure requirements.</p> <p>Amongst other exemptions under the HK Listing Rules,</p> <p>(1) a one-off connected transaction on normal commercial terms will constitute a de minimis transaction under Rule 14A.31(2), which will be exempt from the reporting, announcement and independent shareholders approval requirements, where each of the percentage ratios (other than the profits ratio) is less than 0.1%, less than 1% and the transaction is a connected transaction only because it involves a person who is a connected person of the listed issuer by virtue of its/his relationship(s) with the issuer's subsidiary or subsidiaries, or less than 5% and the total consideration is less than HK\$1,000,000; and</p> <p>(2) a one-off connected transaction on normal commercial terms will be exempt from the independent shareholders' approval requirement only under Rule 14A.32 of the Listing Rules where each of the percentage ratios (other than the profits ratio) is less than 5%, or less than 25% and the total consideration is less than HK\$10,000,000.</p>	<p>When Announcement Required</p> <p>Rule 905, Listing Manual</p> <p>(1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets.</p> <p>(2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.</p> <p>(3) Rule 905(1) and (2) does not apply to any transaction below S\$100,000.</p> <p>When Shareholder Approval Is Required</p> <p>Rule 906, Listing Manual</p> <p>(1) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:–</p> <p>(a) 5% of the group's latest audited net tangible assets; or</p> <p>(b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.</p> <p>(2) Rule 906(1) does not apply to any transaction below S\$100,000.</p>
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<p>As regards continuing connected transactions, amongst other exemptions under the HK Listing Rules:</p> <p>(1) a continuing connected transaction on normal commercial terms will constitute a de minimis transaction under Rule 14A.33(3), which will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements, where each of the percentage ratios (other than the profits ratio) is on an annual basis less than 0.1%, less than 1% and the transaction is a connected transaction only because it involves a person who is a connected person of the issuer by virtue of its/his relationship(s) with the issuer's subsidiary or subsidiaries, or less than 5% and the annual consideration is less than HK\$1,000,000; and</p> <p>(2) a continuing connected transaction on normal commercial terms will be exempt from the independent shareholders' approval requirement only under Rule 14A.34 where each of the percentage ratios (other than the profits ratio) is on an annual basis less than 5%, or less than 25% and the annual consideration is less than HK\$10,000,000.</p>	<p>Rule 907, Listing Manual</p> <p>An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the prescribed format as set out in Rule 907 of the Listing Manual.</p> <p>Rule 908, Listing Manual</p> <p>In interpreting the term "same interested person" for the purpose of aggregation in Rules 905 and 906, the following applies:–</p> <p>(1) Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.</p> <p>(2) If an interested person, (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.</p> <p>Rule 918, Listing Manual</p> <p>If a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.</p>
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<p>Rule 14A.45</p> <p>The following details of the connected transaction must be included in the listed issuer's next published annual report and accounts:</p> <ol style="list-style-type: none"> (1) the transaction date; (2) the parties to the transaction and a description of their connected relationship; (3) a brief description of the transaction and its purpose; (4) the total consideration and terms; and (5) the nature and extent of the connected person's interest in the transaction. <p>Rules 14A.25 and 14A.26</p> <p>The SEHK will aggregate a series of connected transactions and treat them as if they were one transaction if they were all completed within a 12-month period or are otherwise related. In such cases, the listed issuer must comply with the requirements for the relevant classification of the connected transactions when aggregated.</p> <p>Factors which the SEHK may take into account in determining whether connected transactions will be aggregated include whether the transactions:</p> <ol style="list-style-type: none"> (1) are entered into by the listed issuer with the same party or with parties connected or otherwise associated with one another; (2) involve the acquisition or disposal of securities or an interest in one particular company or group of companies; (3) involve the acquisition or disposal of parts of one asset; or (4) together lead to a substantial involvement by the listed issuer in a business activity which did not previously form part of the listed issuer's principal business activities. 	<p>Exceptions</p> <p>Rule 915, Listing Manual</p> <p>The following transactions are not required to comply with Rules 905, 906 and 907:–</p> <ol style="list-style-type: none"> (1) A payment of dividends, a subdivision of shares, an issue of securities by way of a bonus issue, a preferential offer, or an off-market acquisition of the issuer's shares, made to all shareholders on a pro-rata basis, including the exercise of rights, options or company warrants granted under the preferential offer. (2) The grant of options, and the issue of securities pursuant to the exercise of options, under an employees' share option scheme approved by the SGX-ST. (3) A transaction between an entity at risk and an investee company, where the interested person's interest in the investee company, other than that held through the issuer, is less than 5%. (4) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the issuer at the time of the transaction. (5) A transaction between an entity at risk and an interested person for the provision of goods or services if:– <ol style="list-style-type: none"> (a) the goods or services are sold or rendered based on a fixed or graduated scale, which is publicly quoted; and (b) the sale prices are applied consistently to all customers or class of customers. <p>Such transactions include telecommunication and postal services, public utility services, and sale of fixed price goods at retail outlets.</p>
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<p>Rule 14A.18</p> <p>The SEHK will require that connected transactions and continuing connected transactions are made conditional on prior approval by the independent shareholders of the listed issuer in general meeting.</p> <p>Exceptions</p> <p>In general terms, subject to the specified conditions, the following transactions are not required to comply with the reporting, announcement and independent shareholders approval requirements:</p> <ol style="list-style-type: none"> (1) intra-group transactions; (2) de minimis transactions; (3) issue of new securities in the circumstances specified under Rule 14A.31(3); (4) stock exchange dealings; (5) purchase of own securities; (6) directors' service contracts; (7) consumer goods or consumer services; (8) sharing of administrative services; (9) transactions with persons connected at the level of subsidiaries; and (10) transactions with associates of a passive investor. 	<ol style="list-style-type: none"> (6) The provision of financial assistance or services by a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business. (7) The receipt of financial assistance or services from a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business. (8) Director's fees and remuneration, and employment remuneration (excluding "golden parachute" payments). <p>Rule 916, Listing Manual</p> <p>The following transactions are not required to comply with Rule 906:–</p> <ol style="list-style-type: none"> (1) The entering into, or renewal of a lease or tenancy of real property of not more than 3 years if the terms are supported by independent valuation. (2) Investment in a joint venture with an interested person if:– <ol style="list-style-type: none"> (a) the risks and rewards are in proportion to the equity of each joint venture partner; (b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.
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		<p>(3) The provision of a loan to a joint venture with an interested person if:–</p> <ul style="list-style-type: none"> (a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms; (b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and (c) the issuer confirms by an announcement that its audit committee is of the view that:– <ul style="list-style-type: none"> (i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders. <p>(4) The award of a contract by way of public tender to an interested person if:–</p> <ul style="list-style-type: none"> (a) the awarder entity at risk announces following information:– <ul style="list-style-type: none"> (i) the prices of all bids submitted; (ii) an explanation of the basis for selection of the winning bid; and
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		<p>(b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.</p> <p>(5) The receipt of a contract which was awarded by way of public tender, by an interested person if:–</p> <p>(a) the bidder entity at risk announces the prices of all bids submitted; and</p> <p>(b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, the listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.</p>
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2. TAKEOVER OBLIGATIONS

2.1 The Singapore Code

The Singapore Code regulates the acquisition of ordinary shares of public companies and contain certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of our voting Shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of our voting Shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1.0% of our voting Shares in any six-month period, must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Code.

“Parties 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. Certain persons are presumed (unless the presumption is rebutted) to be acting in concert with each other. They are as follows:

- a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- a company and its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
- a company and its pension funds and employee share schemes;
- a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis;
- a financial or other professional adviser and its clients in respect of Shares held by the adviser and persons controlling, controlled by or under the same control as the adviser and all the funds managed by the adviser on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client’s equity share capital;
- directors of a company (including their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;
- partners; and
- an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or parties acting in concert with the offeror within the six months preceding the acquisition of Shares that triggered the mandatory offer obligation.

Under the Singapore Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

2.2 HK Takeovers Code

Public companies in Hong Kong and companies with a primary listing of their equity securities in Hong Kong fall within the regulatory framework of the HK Takeovers Code. The HK Takeovers Code does not have the force of law. The HK Takeovers Code also provide an orderly framework within which takeovers and mergers of public companies in Hong Kong are to be conducted. The primary purpose of the HK Takeovers Code is to afford fair treatment for shareholders affected by takeovers, merger and share repurchases. It requires equality of treatment of shareholders, mandating the disclosure of timely and adequate information to enable shareholders to make an informed decision as to the merits of any offer.

The HK Takeovers Code regulates acquisitions of Shares (whether by way of takeovers, mergers and share repurchases) in an offeree company which change its control, currently defined as a holding, or aggregate holdings, of 30.0% or more of the voting rights of a company, regardless of whether that holding or holdings gives de facto control.

The HK Takeovers Code also applies not only to the offeror and the offeree company, but also to those persons “acting in concert” with the offeror. Under the HK Takeovers Code, “persons acting in concert” are persons who “pursuant to an agreement or understanding (whether formal or informal), actively co-operate to obtain or consolidate control of a company through the acquisition by any of them of voting rights of the company”. The HK Takeovers Code also describes classes of persons who are presumed to be acting in concert with others in the same class.

The HK Takeovers Code requires the making of a mandatory general offer to all shareholders of the offeree company, unless a waiver has been granted by the SFC, where a person or a group of persons acting in concert (1) acquires control of a company (meaning 30.0% or more of the voting rights), whether by a series of transactions over a period of time, or not, or (2) when already holding between 30.0% and 50.0% of the voting rights of a company, acquires more than 2.0% of the voting rights in that company from the lowest percentage holding in the 12-month period preceding the date of the relevant acquisition.

In either of the above cases, an offer must be made to the holders of each class of equity share capital of the public company. The offer must be in cash or accompanied by a cash alternative at not less than the highest price paid by the offeror (or persons acting in concert with it) for Shares of that class during the offer period and within 6 months prior to its commencement. Where the offeree company has convertible securities outstanding, the offeror must make an appropriate offer or proposal to the holders of such convertible securities.

APPENDIX 2

LISTINGS, REGISTRATION, DEALINGS AND SETTLEMENT

LISTINGS

The Company currently has a primary listing of Shares on the SGX-ST, which it intends to maintain alongside its proposed dual primary listing of Shares on the SEHK. Application has been made to the listing committee of the SEHK for the listing of, and permission to deal in, the Shares.

REGISTRATION

The principal register of members is maintained in British Virgin Islands by Tricor Services (BVI) Limited. The Company has established a branch register of members in Hong Kong which is maintained by Tricor Investor Services Limited (the "**Hong Kong branch share registrar**") whose address is 26th Floor, Tesbury Centre, 28 Queen Road East, Hong Kong.

The transfer agent for members of the Company in Singapore is Tricor Barbinder Share Registration Services (the "**Singapore transfer agent**") whose address is 8 Cross Street #11-00, PWC Building, Singapore 048424. Certificates in respect of the Shares registered on the Hong Kong branch register of members will, as far as practicable, and unless otherwise requested, be issued in board lots of 1,000 Shares. The British Virgin Islands principal registrar will keep in British Virgin Islands duplicates of the Hong Kong branch registers, which will be updated from time to time.

Certificates

Only certificates for Shares issued by the Hong Kong branch share registrar will be valid for delivery in respect of dealings effected on the SEHK. Certificates for Shares issued by the Singapore transfer agent on behalf of the British Virgin Islands principal registrar will be valid for delivery in respect of dealing effected on the SGX-ST. For ease of identification, the certificates for Shares issued by the Singapore transfer agent on behalf of the British Virgin Islands principal registrar are red in colour. The Share certificates issued by the Hong Kong branch share registrar will be beige in colour.

DEALINGS

Dealings in Shares on the SEHK and SGX-ST will be conducted in Hong Kong dollars and Singapore dollars respectively. The Shares are traded on SGX-ST in board lots of 1,000 Shares each.

The transaction costs of dealings in the Shares on the SEHK include a SEHK trading fee of 0.005%, an SFC transaction levy of 0.004%, a transfer deed stamp duty of HK\$5.00 per transfer deed and ad valorem stamp duty on both the buyer and the seller charged at the rate of 0.1% each of the consideration or, if higher, the fair value of the Shares transferred. The brokerage commission in respect of trades of Shares on the SEHK is freely negotiable.

The brokerage commission in respect of trades of Shares on the SGX-ST is freely negotiable. A clearing fee in Singapore is payable at the rate of 0.04% of the transaction value, subject to a maximum of S\$600.00 per transaction. The clearing fee is subject to Singapore goods and services tax of 7.0%.

SETTLEMENT

Settlement of dealings in Singapore

Shares listed and traded on the SGX-ST are trading under the book-entry settlement system of the CDP and all dealings in and transactions of Shares through the SGX-ST are effected in accordance with the terms and conditions for the operation of securities accounts with the CDP, as amended from time to time.

The CDP, a wholly-owned subsidiary of the Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. The CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with the CDP.

Shares will be registered in the name of the CDP or its nominees and held by the CDP for and on behalf of persons who maintain, either directly or through depository agents, securities accounts with the CDP. British Virgin Islands Companies Act and the Articles only recognise the registered owners or holders of the Shares as members. CDP depositors and depository agents on whose behalf CDP holds Shares, may not be accorded the full rights of membership, such as voting rights, the right to appoint proxies, or the right to receive shareholders' circulars, proxy forms, annual reports, prospectuses and take over documents. CDP depositors and depository agents will be accorded only such rights as CDP may make available to them pursuant to CDP's terms and conditions to act as depository for foreign securities.

Persons holding Shares in a securities account with the CDP may withdraw the number of Shares they own from the book-entry settlement system in the form of physical share certificates. Such share certificates will not, however, be valid for delivery pursuant to trades transacted on the SGX-ST, although they will be prima facie evidence of title and may be transferred in accordance with the Articles. A fee of S\$10.00 for each withdrawal of 1,000 Shares or less and a fee of S\$25.00 for each withdrawal of more than 1,000 Shares will be payable upon withdrawing our Shares from the book-entry settlement system and obtaining physical share certificates. In addition, a fee of S\$2.00 (or such other amounts as the Directors may decide) will be payable to share registrar for each share certificate issued, and stamp duty of S\$10.00 is also payable where Shares are withdrawn in the name of the person withdrawing Shares, or S\$0.20 per S\$100.00 or part thereof of the last-transacted price where Shares are withdrawn in the name of a third party. Persons holding physical share certificates who wish to trade on the SGX-ST must deposit with the CDP their share certificates together with the duly executed and stamped instruments of transfer in favour of the CDP, and have their respective securities accounts credited with the number of Shares deposited before they can effect the desired trades. A fee of S\$10.00 is payable upon the deposit of each instrument of transfer with the CDP.

Transactions in Shares under the book-entry settlement system will be reflected by the seller's securities account being debited with the number of Shares sold and the buyer's securities account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for the transfer of the Shares that are settled on a book-entry basis.

A Singapore clearing fee for trades in Shares on the SGX-ST is payable at the rate of 0.04% of the transaction value, subject to a maximum of S\$600.00 per transaction. The clearing fee, instrument of transfer deposit fees and share withdrawal fee are subject to Singapore goods and services tax of 7.0%.

Dealings in the Shares will be carried out in Singapore Dollars and will be effected for settlement in the CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST

generally takes place on the third market day following the transaction date, and payment for the securities is generally settled on the following day. The CDP holds securities on behalf of investors in securities accounts. An investor may open a direct securities account with the CDP or a securities sub-account with a depository agent. A depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

Settlement of dealings in Hong Kong

Investors in Hong Kong must settle their trades executed on the SEHK through their brokers directly or through custodians. For an investor in Hong Kong who has deposited his Shares in his stock account or in his designated CCASS participant's stock account maintained with CCASS, settlement will be effected in CCASS in accordance with the CCASS Rules in effect from time to time. For an investor who holds the physical certificates, the physical share certificates and the duly executed and stamped transfer forms must be delivered to the Hong Kong branch share registrar by the settlement date.

An investor may arrange with his broker on a settlement date in respect of his trades executed on the SEHK. Under the HK Listing Rules and the CCASS Rules, the date of settlement must not be later than the second business day following the trade date on which the settlement services of CCASS are open for use by CCASS participants (T+2). For trades settled under CCASS, the CCASS Rules provide that the defaulting broker may be compelled to compulsorily buy-in by HKSCC the day after the date of settlement (T+3), or if it is not practicable to do so on T+3, at any time thereafter. HKSCC may also impose fines from T+2 onwards.

The CCASS stock settlement fee payable by each counterparty to a SEHK trade is currently 0.002% of the gross transaction value subject to a minimum fee of HK\$2.00 and a maximum fee of HK\$100.00 per trade.

Foreign Exchange Risk

Investors in Singapore who trade in the Shares on the SGX-ST should note that their trades will be effected in Singapore dollars. Investors in Hong Kong who trade in the Shares on the SEHK should note that their trades will be effected in Hong Kong dollars. Accordingly, investors should be aware of the foreign exchange risks associated with such trading.

Removal of Shares

All duties, fees and expenses specified herein are subject to changes from time to time.

From SGX-ST to SEHK

Currently, all the Shares are registered on the principal register of members in British Virgin Islands. For purposes of trading on the SEHK, the Shares must be registered on the branch register of members in Hong Kong. Shares may be transferred between the principal register of members in British Virgin Islands and the branch register of members in Hong Kong. An investor who wishes to trade on the SGX-ST must have his Shares registered on the principal register of members in British Virgin Islands and an investor who wishes to trade on the SEHK must have his Shares registered on the branch register of members in Hong Kong by removing them from the principal register of members in British Virgin Islands to the branch register of members in Hong Kong. A resolution has been passed by the Directors authorising the removal of Shares between the principal register of members in British Virgin Islands and the branch register of members in Hong Kong as may from time to time be requested by the members of the Company.

If an investor whose Shares are traded on the SGX-ST wishes to trade his Shares on the SEHK, he must effect a removal of Shares from the principal register of members in British Virgin Islands to the branch register of members in Hong Kong.

A removal of the Shares from the principal register of members in British Virgin Islands to the Hong Kong branch register of members involves the following procedures:

- (1) If the investor's Shares have been deposited with CDP, the investor must first withdraw his Shares from CDP by completing a Withdrawal of Securities Form (CDP Form 3) available from CDP and submitting the same to CDP together with a bank draft for the amount as prescribed by CDP from time to time.
- (2) The investor shall complete a share removal form (the "**Share Removal Form**") (in triplicate) obtained from the Singapore transfer agent and submit the Share Removal Form to the Singapore transfer agent.
- (3) CDP will then send a duly completed transfer form together with the relevant Share certificate(s) registered under the name of CDP to the Singapore transfer agent directly.
- (4) Upon receipt of the duly completed transfer form and Share certificate(s) from CDP and the Share Removal Form together with bank drafts for the amount as prescribed by the Singapore transfer agent and Hong Kong branch share registrar from time to time from the investor, the Singapore transfer agent shall send all the documents to the British Virgin Islands principal registrar.
- (5) Upon receipt of the documents referred to in (4) above and the relevant payment, the British Virgin Islands principal registrar shall take all actions necessary to effect the transfer and removal of Shares on the British Virgin Islands principal register of members. On completion, the British Virgin Islands principal registrar shall then notify the Hong Kong branch share registrar of the removal whereupon the Hong Kong branch share registrar shall update the branch register of members in Hong Kong and issue Share certificate(s) in the name of the investor and send such Share certificate(s) to the address specified by the investor. Despatch of Share certificate(s) will be made at the risk and expense of the investor as specified in the removal request form.
- (6) If the investor's Shares upon being registered in Hong Kong are to be deposited with CCASS, the investor must deposit the Shares into CCASS for credit to his investor participant stock account or his designated CCASS participant's stock account. For deposit of Shares to CCASS or to effect sale of Shares in Hong Kong, the investor should execute a transfer form which is in use in Hong Kong and which can be obtained from the office of the Hong Kong branch share registrar and deliver it together with his Share certificate(s) issued by the Hong Kong branch share registrar to HKSCC directly if he intends to deposit the Shares into CCASS for credit to his investor participant stock account or via a CCASS participant if he wants the Shares to be credited to his designated CCASS participant's stock account.

Note: Under normal circumstances, steps (1) to (5) generally require 15 business days to complete.

From SEHK to SGX-ST

If an investor whose Shares are traded on the SEHK wishes to trade his Shares on the SGX-ST, he must effect a removal of the Shares from the Hong Kong branch register of members to the British Virgin Islands principal register of members. Such removal and deposit of the Shares would involve the following procedures:

- (1) If the investor's Shares have been deposited with CCASS, the investor must first withdraw such Shares from his investor participant stock account with CCASS or from the stock account of his designated CCASS participant and submit the relevant Share transfer form(s) executed by HKSCC Nominees Limited, the relevant Share certificate(s) and a duly completed Combined Share Removal and Transfer Form and Delivery Instruction Form (the "**Removal and Transfer Request Form**") to the Hong Kong branch share registrar.
- (2) If the investor's Shares are registered in the investor's own name, the investor shall complete the Removal and Transfer Request Form available from the Hong Kong branch share registrar or the Singapore transfer agent and submit the same together with the Share certificate(s) in his name and bank draft for the amount as prescribed by the Singapore transfer agent and Hong Kong branch share registrar from time to time to the Hong Kong Share branch registrar.
- (3) Upon receipt of the Removal and Transfer Request Form (in triplicate), the relevant Share certificate(s) and where appropriate, the completed share transfer form(s) executed by HKSCC Nominees Limited, the Hong Kong branch share registrar shall take all actions necessary to effect the transfer and the removal of the Shares from the Hong Kong branch register of members to the British Virgin Islands principal register of members.
- (4) The Hong Kong branch share registrar shall then notify the British Virgin Islands principal registrar of the removal whereupon the British Virgin Islands principal registrar shall update the principal register of members in British Virgin Islands. Upon completion, the British Virgin Islands principal registrar shall request the Singapore transfer agent to issue the relevant Share certificate(s) in the name of the investor and deliver the share certificate(s) to the investor.
- (5) If the investor would like the Singapore transfer agent to assist in depositing the share certificate(s) into CDP, he should complete Part (B) of the Removal and Transfer Request Form and submit it together with a bank draft for the amount as prescribed by CDP from time to time to the Singapore transfer agent at the same time he submits the relevant documents to the Hong Kong branch share registrar (as contemplated in paragraph (1) above). The Hong Kong branch share registrar shall then notify the British Virgin Islands principal registrar, who shall request the Singapore transfer agent to issue the relevant Share certificate(s) in the name of CDP and arrange to deposit the same with CDP. The investor should ensure that he must have a securities account in his own name with CDP and the shares are credited to his securities account or sub-account with a CDP depository agent before dealing in the Shares.

Note: Under normal circumstances, steps (2) to (4) generally require 15 business days to complete.

For those Shares, which are registered on the branch register of members in Hong Kong, any transfer thereof or dealings therein will be subject to Hong Kong stamp duty.

All costs attributable to the removal of Shares from the Hong Kong branch register of members to the British Virgin Islands principal register of members and any removal from the British Virgin Islands principal register of members to the Hong Kong branch register of members shall be borne by the Shareholder requesting the removal. In particular, holders of Shares should note that the Hong Kong branch registrar will charge HK\$300.00 for each removal of Shares, HK\$20.00 for postage (if required) and a fee of HK\$2.50 (or such higher fee as may from time to time be permitted under the HK Listing Rules) for each Share certificate cancelled or issued by it, whichever is the greater, and any applicable fee as stated in the Removal and Transfer Request

Form/Share Removal Form used in Hong Kong or Singapore. CCASS charges a withdrawal fee of HK\$3.50 per board lot (subject to a minimum fee of HK\$20.00 per withdrawal order for CCASS investor participant) for withdrawal from the CCASS system. In addition, the Singapore transfer agent will charge S\$25.00 for each removal of Shares and a fee of S\$2.00 for each transfer form in respect of transfer of Shares or for each Share certificate cancelled or issued by it and any applicable fee as stated in the Removal and Transfer Request Form/Share Removal Form used in Hong Kong or Singapore. The fees charged by the Singapore transfer agent are subject to Singapore goods and services tax (currently at 7.0%).

APPENDIX 3

RULES OF THE 2010 CNTD SHARE OPTION SCHEME

1. Definitions

1.1 In this Scheme the following expressions have the following meanings:

“Adoption Date”	the date on which this Scheme takes effect upon the satisfaction of all conditions under paragraph 3 (where applicable);
“Associated Company”	a company in which at least 20.0% but not more than 50.0% of its shares are held by the Company and/or its subsidiaries, or a subsidiary of such company, and over which the Company has control;
“associates”	in relation to a person, means such other persons, companies or entities as are considered to be that person’s associate under the Listing Rules, the Listing Manual or any other publication prescribing rules or regulations for corporations admitted to the Official List of the SGX-ST (as modified, supplemented or amended from time to time);
“Auditors”	means the auditors for the time being of the Company;
“Board”	means the board of directors of the Company;
“Committee”	the remuneration committee of the Company, or such other committee comprising Directors duly authorised and appointed by the Board to administer this Scheme;
“Business Day”	means a day (other than a Saturday or a Sunday) on which licensed banks are open for business in Hong Kong and in Singapore and the SEHK and the SGX-ST is open for business of dealing in securities;
“chief executive”	as such term is defined under the Listing Rules;
“Company”	means China New Town Development Company Limited, a company incorporated in British Virgin Islands with limited liability;
“connected person”	as such term is defined under the Listing Rules;
“Controlling Shareholder”	a person with the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company. Unless rebutted, a person who directly or indirectly has an interest of 15.0% of the Company’s issue share capital shall be presumed to be a Controlling Shareholder;

“day”	means calendar day;
“electronic communication”	means a communication sent by electronic transmission in any form through any medium;
“Grantee”	means any Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context so permits) the legal personal representative(s) entitled to any such Option in consequence of the death of the original Participant;
“Group”	means the Company, its subsidiaries and its Associated Companies (as they may exist from time to time);
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Manual”	means the Listing Manual of the SGX-ST;
“Listing Rules”	means the Rules Governing the Listing of Securities on the SEHK as may be amended from time to time;
“month”	means calendar month;
“Offer”	means the offer of the grant of an Option made by the Committee in accordance with paragraph 5;
“Offer Date”	means the date on which an Offer is made to a Participant in accordance with sub-paragraph 5.3;
“Option”	means a right to subscribe for Shares granted pursuant to the terms of this Scheme and the term “Options” shall be construed accordingly;
“Option Period”	means in respect of any particular Option granted, the period during which such Option may be exercised as determined by the Committee at its absolute discretion and notified by the Committee to the Grantee of such Option, provided that such period shall not commence until after the first anniversary of the Offer Date and shall not be longer than 10 years from the Offer Date;
“Parent Company”	means a company being the holding company of the Company designated by the Committee for the purposes of this Scheme, where no such holding company exists, the single largest corporate shareholder for the time being of the Company designated by the Committee for the purposes of this Scheme and approved by the SGX-ST;

“Parent Group”	means the Parent Company and such of the Parent Company’s subsidiaries as are designated by the Committee for the purposes of this Scheme (but, where applicable, excluding the Group);
“Parent Group Participant”	means any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of any member of the Parent Group who, in the opinion of the Committee, has contributed to the success and development of the Group;
“Participant”	means any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of any member of the Group or any Parent Group Participant;
“Scheme”	means this share option scheme in its present or any amended form;
“SEHK”	means The Stock Exchange of Hong Kong Limited;
“SGX-ST”	means Singapore Exchange Securities Trading Limited;
“Shares”	means ordinary share(s) of no par value in the share capital of the Company;
“Singapore Companies Act”	means the Companies Act, Chapter 50 of Singapore, as amended or modified from time to time;
“Subscription Price”	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to paragraph 6;
“subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of the Singapore Companies Act);
“substantial shareholder”	as such term is defined under the Listing Rules;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	means per cent.

1.2 Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. Unless the context otherwise requires, references to paragraphs or sub-paragraphs are to paragraphs or sub-paragraphs of this Scheme, words importing the singular include the plural and vice versa, words importing gender include every gender and references to persons includes corporations and unincorporates.

2. Purpose of this Scheme and Basis of Eligibility of the Participants

- (a) The purpose of this Scheme is to provide the Participants working for the interests of the Group with an opportunity to obtain equity interest in Company, thus linking their interests with the interests of the Group and thereby providing them with incentives to work better for the interests of the Group and/or rewards for their contribution and support to the Group's success and development.
- (b) In determining the basis of eligibility of each Participant, the Committee would take into account such factors as the Committee may at its discretion consider appropriate.

Controlling Shareholders and their spouse, child, adopted child, step-child, brother, sister and parent shall not be eligible to participate in this Scheme.

3. Conditions

This Scheme shall take effect subject to:

- (a) the SGX-ST granting the listing of, and permission to deal in, the new Shares to be allotted and issued upon exercise of any Options which may be granted under this Scheme;
- (b) the passing of an ordinary resolution approving the adoption of this Scheme by the shareholders of the Company and authorising the directors of the Company to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under this Scheme;
- (c) this Scheme being approved by the shareholders of SRE Group Limited in general meeting; and
- (d) in the event that the Shares are to be listed on the SEHK, the Listing Committee of the SEHK granting approval of the listing of, and permission to deal in, the Shares in issue and the new Shares to be allotted and issued upon exercise of any Options which may be granted under this Scheme.

For the avoidance of doubt, in the event the Company decides not to proceed with the listing of its Shares on the SEHK for any reason, this Scheme shall take effect from the date conditions under paragraph 3(a) to 3(c) are satisfied or the date the Company decides not to proceed with the listing on the SEHK, whichever is later.

4. Duration and Administration

- 4.1 Subject to the fulfilment of the conditions in paragraph 3 and the termination provisions in paragraph 16, this Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options will be granted but in all other respects the provisions of this Scheme shall remain in full force and effect, and Options which are granted during the life of this Scheme may continue to be exercisable in accordance with their terms of grant.
- 4.2 This Scheme shall be subject to the administration of the Committee whose decision (save as otherwise provided herein) shall be final and binding on all parties provided that no member of the Committee shall participate in any deliberation or decision in respect of Options granted or to be granted to him.

- 4.3 Subject to compliance with the requirements of the Listing Rules, the Listing Manual and the provisions of this Scheme, the Committee shall have the right (i) to interpret and construe the provisions of this Scheme; (ii) to determine the persons who will be awarded Options under this Scheme and the number of Shares to be issued under any Options; (iii) to determine the Subscription Price; (iv) to make such appropriate and equitable adjustments to the terms of Options granted under this Scheme as it deems necessary; and (v) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of this Scheme.

5. Grant of Option

- 5.1 On and subject to the terms of this Scheme, the Committee shall be entitled at any time, within 10 years after the Adoption Date to make an Offer to any Participant as the Committee may in its absolute discretion select to subscribe for such number of Shares as the Committee may (subject to paragraphs 9 and 10) determine at the Subscription Price (provided that such number of Shares constitutes a board lot for dealing in Shares on the SEHK or the SGX-ST or an integral multiple thereof). In determining the basis of eligibility of each Participant, the Committee would mainly take into account the experience of the Participant in the Group's business, the length of service of the Participant, the efforts and contributions the Participant has exerted and made towards the success of the Group and/or the amount of potential efforts and contributions the Participant is likely to be able to give or make towards the success of the Group in the future.
- 5.2 No Offer shall be made after a price sensitive event of the Company has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published pursuant to the requirements of the Listing Rules and the Listing Manual. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Committee (as such date is first notified by the Company to the SEHK and the SGX-ST in accordance with the Listing Rules or the Listing Manual (as the case may be)) for the approval of the Company's results for any year, half year, quarterly or any other interim period (whether or not required under the Listing Rules or the Listing Manual); and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules and the Listing Manual, or quarterly or any other interim period (whether or not required under the Listing Rules or the Listing Manual), and ending on the date of the results announcement, no Option may be granted.
- 5.3 An Offer shall be made to a Participant by letter in such form as the Committee may from time to time determine (the "**Offer Letter**") specifying the number of Shares under the Option, the Subscription Price, the vesting schedule (if any), the conditions to vesting (if any), and the Option Period, and requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme. An Offer must be made on a Business Day and shall remain open for acceptance by the Participant to whom an Offer is made for a period (the "**Acceptance Period**") from the Offer Date to such date as the Committee may determine and specify in the Offer Letter (both days inclusive), provided that no such Offer shall be open for acceptance after the 10th anniversary from the Adoption Date or after this Scheme has been terminated in accordance with the provisions hereof, whichever is earlier.
- 5.4 An Offer shall be deemed to have been accepted by the Grantee and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the Offer Letter (as defined in sub-paragraph 5.3) comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within the Acceptance Period (as defined in sub-paragraph 5.3). Such remittance shall in no circumstances be refundable or be considered as part of the Subscription Price.

- 5.5 Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the SEHK or the SGX-ST or an integral multiple thereof and the number of Shares in respect of which the Offer is accepted is clearly stated in the duplicate of the Offer Letter received by the Company as mentioned in sub-paragraph 5.4. To the extent that the Offer is not accepted within the Acceptance Period (as defined in sub-paragraph 5.3) and in the manner stipulated in sub-paragraph 5.4, it will be deemed to have been irrevocably declined.
- 5.6 Subject to the provisions of this Scheme, the Listing Rules and the Listing Manual, the Committee may when making the Offer impose any conditions, restrictions or limitations in relation to the Option as it may at its absolute discretion think fit, and shall set forth such in the Offer Letter.

6. Subscription Price

Subject to any adjustments made pursuant to paragraph 11, the Subscription Price in respect of each Share issued pursuant to the exercise of Options granted hereunder shall be a price solely determined by the Committee and notified to a Participant in the Offer Letter and shall be at least the highest of:

- (a) the closing price of the Shares as stated in the daily quotations sheet of the SEHK or the SGX-ST on the Offer Date (whichever is higher); and
- (b) a price being the average of the closing prices of the Shares as stated in the daily quotations sheets of the SEHK or the SGX-ST for the 5 Business Days immediately preceding the Offer Date (whichever is higher).

For the purpose of this paragraph, if the Offer Date does not fall on a Business Day, the Offer Date shall be deemed the following Business Day.

7. Exercise of Options

- 7.1 An Option shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests (whether legal or beneficial) in favour of any third party over or in relation to any Option or enter into any agreement to do so. Any breach of the foregoing by a Grantee shall render all outstanding Options of such Grantee automatically cancelled in accordance with sub-paragraph 8(g).
- 7.2 Unless otherwise determined by the Committee and specified in the Offer Letter at the time of the Offer, no performance targets need to be achieved by the Grantee before an Option can be exercised. An Option may be exercised in whole or in part in the manner as set out in the Offer Letter, this sub-paragraph and sub-paragraph 7.3 by the Grantee (or his personal representative(s)) at any time after the first (1st) anniversary of the Offer Date of that Option by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the total Subscription Price for the Shares in respect of which the notice is given. Subject to paragraph 12, within 28 days after receipt of the notice and the remittance, and where appropriate, receipt of the certificate of the Auditors pursuant to paragraph 11, the Company shall allot the relevant Shares to the Grantee (or his personal representative(s)) credited as fully paid and issue to the Grantee (or his personal representative(s)) a share certificate in respect of the Shares so allotted.

7.3 Subject to the terms and conditions upon which such Option was granted and as hereinafter provided, an Option may be exercised by the Grantee at any time during the Option Period provided that:

- (a) in the event the Grantee ceases to be a Participant for any reason other than on the Grantee's death or the termination of the Grantee's employment, directorship, appointment or engagement on one or more of the grounds specified in sub-paragraph 8(e), the Option granted to such Grantee shall lapse on the date of cessation (to the extent that it has not already been exercised) and will not be exercisable unless the Committee otherwise determines to grant an extension at the discretion of the Committee in which event the Grantee may exercise the Option in accordance with the provisions of paragraph 7.2 within such period of extension and up to a maximum entitlement directed at the discretion of the Committee on the date of grant of extension (to the extent that it has not already been exercised) and subject to other terms and conditions decided at the discretion of the Committee. For the avoidance of doubt, such period of extension (if any) shall be granted within and in any event ending before the expiration of the period of one month following the date on which the Grantee ceases to be a Participant, which date of cessation shall be the Grantee's last actual working day with the relevant company whether salary is paid in lieu of notice or not, or the last date of office or appointment as director of, as consultant, professional or other adviser to, the relevant company, as the case may be, in the event of which, the date of cessation as determined by a resolution of the board of directors or governing body of the relevant company shall be conclusive;
- (b) in the event the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of the Grantee's employment, directorship, appointment or engagement under sub-paragraph 8(e) has arisen, the personal representative(s) of the Grantee shall be entitled within a period of 6 months or such longer period as the Committee may determine from the date of death, to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent that it has become exercisable and has not already been exercised) or, if appropriate, make an election pursuant to sub-paragraph 7.3(c), (d) or (e);
- (c) if a general offer by way of take-over (other than by way of scheme of arrangement pursuant to sub-paragraph 7.3(d)) is made to all holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror (the "**Dissenting Shareholders**")) and if such offer becomes or is declared unconditional and the offeror is entitled to and does give notice pursuant to the BVI Business Companies Act 2004 (as amended) of the British Virgin Islands to acquire Shares held by the Dissenting Shareholders prior to the expiry of the relevant Option Period, the Grantee (or his personal representative(s)) may by notice in writing to the Company within 21 days of the notice of the offeror exercise the Option (to the extent that it has become exercisable on the date of the notice of the offeror and has not already been exercised) to its full extent or to the extent specified in such notice;
- (d) if a general offer by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary majority of holders of Shares at the requisite meetings, the Grantee (or his personal representative(s)) may thereafter (but only until such time as shall be notified by the Company, after which it shall lapse) exercise the Option (to the extent that it has become exercisable and has not already been exercised) to its full extent or to the extent specified in such notice;
- (e) other than a general offer or a scheme of arrangement contemplated in sub-paragraphs 7.3(c) and (d), if a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a

scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee on the same date as it despatches the notice which is sent to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his Options (to the extent that it has become exercisable and has not already been exercised) whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under this Scheme. The Company may require the Grantee (or his personal representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and

- (f) in the event of a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to convene the general meeting, give notice thereof to all Grantees and thereupon, the Grantees (or their respective personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to the Company (such notice to be received by the Company not later than 2 Business Days prior to the proposed general meeting of the Company) exercise any Option (to the extent that it has become exercisable and has not already been exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

- 7.4 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue.

8. Lapse of Option

An Option shall lapse automatically and not be exercisable (to the extent that it has not already been exercised) on the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of the periods referred to in sub-paragraph 7.3(a), (b) or (c), where applicable;
- (c) subject to the scheme of arrangement as referred to in sub-paragraph 7.3(d) becoming effective, the expiry of the period referred to in sub-paragraph 7.3(d);

- (d) subject to the compromise or arrangement referred to in sub-paragraph 7.3(e) becoming effective, the expiry of the period referred to in sub-paragraph 7.3(e);
- (e) the date on which the Grantee ceases to be a Participant by reason of the termination of his employment, directorship, appointment or engagement on one or more of the following grounds, namely, that he has been guilty of misconduct, or has been in breach of material term of the relevant employment contract or service contract, or has stopped payment to creditors generally or been unable to pay his debts within the meaning of any applicable legislation relating to bankruptcy or insolvency, or has become bankrupt or insolvent, or has been served with a petition for bankruptcy, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, or (if so determined by the Board or the board of the relevant subsidiary, as the case may be) on any other ground on which any employer or any engaging party would be entitled to terminate his employment, directorship, appointment or engagement at common law or pursuant to any applicable laws or under the Grantee's employment contract or service contract with the Company or the relevant subsidiary (as the case may be). A resolution of the Board or the board of directors or governing body of the relevant subsidiary (as the case may be) to the effect that the employment, directorship, appointment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph 8(e) shall be conclusive and binding on the Grantee;
- (f) the close of two Business Days prior to the general meeting of the Company held for the purpose of approving the voluntary winding-up of the Company or the date of the commencement of the winding-up of the Company;
- (g) the date on which the Grantee commits a breach of sub-paragraph 7.1; or
- (h) the date on which the Option is cancelled by the Committee as provided in paragraph 15.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph 8.

9. Maximum number of Shares available for subscription

9.1 Subject to sub-paragraph 9.2:

- (a) The total number of Shares which may be issued upon exercise of all options to be granted under this Scheme and any other share option scheme of the Company shall not in aggregate exceed 10.0% of the total number of Shares in issue on the Adoption Date, unless the Company obtains an approval from its shareholders pursuant to sub-paragraph 9.1(b). Options lapsed in accordance with the terms of this Scheme will not be counted for the purpose of calculating such 10.0% limit.
- (b) The Company may seek approval of its shareholders in general meeting for refreshing the 10.0% limit set out in sub-paragraph 9.1(a) under this Scheme such that the total number of Shares which may be issued upon exercise of all options to be granted under this Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10.0% of the total number of Shares in issue as at the date of approval to refresh such limit. Options previously granted under this Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with this Scheme or any other share option schemes or exercised options) will not be counted for the purpose of calculating such limit as refreshed. In such a case, the Company shall send a circular to its shareholders containing the information and disclaimer(s) as required under the Listing Rules and the Listing Manual.

- (c) The Company may seek separate approval of its shareholders in general meeting for granting Options beyond the 10.0% limit provided that the Options in excess of such limit are granted only to Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send a circular to its shareholders containing, amongst other terms, a generic description of the specified Participant(s) who may be granted such Options, the number of Shares subject to the Options to be granted, the terms of the Options to be granted, the purpose of granting Options to the specified Participant(s), an explanation as to how the terms of the Options serve such purpose and such other information and disclaimer as required under the Listing Rules and the Listing Manual.

9.2 Notwithstanding any provision in paragraph 9.1 and subject to paragraph 11, the limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under this Scheme and any other share option schemes of the Company must not exceed 15.0% of the Shares in issue from time to time. No options may be granted under this Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

9.3 In addition to paragraphs 9.1 and 9.2 and subject to sub-paragraph 10.1, the aggregate number of Share which may be offered to all Parent Group Participants shall not exceed 20.0% of the total number of Shares available under this Scheme.

10. Maximum entitlement of Shares of each Participant

- 10.1 (a) Subject to sub-paragraphs 10.1(b), the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1.0% of the total number of Shares in issue.
- (b) Notwithstanding sub-paragraph 10.1(a), where any further grant of Options to a Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such Participant under this Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1.0% of the Shares in issue, such further grant must be separately approved by the shareholders of the Company in general meeting with such Participant and his associates abstaining from voting. The number and terms of the Options to be granted to such Participant shall be fixed before shareholders' approval and the date of the Committee meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price. In such a case, the Company shall send a circular to its shareholders containing, amongst other terms, the identity of such Participant, the number and the terms of the Options to be granted (and options previously granted to such Participant) and such other information as required under the Listing Rules and the Listing Manual.
- (c) In addition to paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b), any grant of Options to a Participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors of the Company (excluding independent non-executive directors of the Company who are the Grantees).
- (d) In addition to paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b), where the Committee proposes to grant any Option to a Participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, which would result in the Shares issued and to be issued upon

exercise of all options already granted and to be granted under this Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including proposed Offer Date of such grant (the “Relevant Date”):

- (i) representing in aggregate more than 0.1% of the total number of Shares in issue on the Relevant Date; and
- (ii) having an aggregate value, based on the closing price of the Shares as stated in the SEHK’s daily quotations sheet on the Relevant Date, in excess of HK\$5,000,000,

such proposed grant of Options must be approved by the shareholders of the Company in general meeting. In such a case, the Company shall send a circular to its shareholders containing all those terms as required under the Listing Rules and the Listing Manual. All connected persons of the Company must abstain from voting in favour of such proposed grant at such general meeting (except that any connected person (other than the Participant) may vote against such proposed grant at the general meeting provided that his intention to do so has been stated in the circular issued to the shareholders of the Company). Any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

- (e) Subject to paragraph 9 and sub-paragraphs 10.1(a), 10.1(b), 10.1(c) and 10.1(d), where the Committee proposes to grant any Option to a Parent Group Participant which, together with Options already granted to such Parent Group Participant in his capacity as such under this Scheme, represents 5.0% or more of the total number of Options available to Parent Group Participants under this Scheme, a separate resolution of the independent shareholders of the Company must be passed for each such Parent Group Participant and to approve the aggregate number of Options to be made available for grant to all Parent Group Participants, provided that any grant of Options to a Parent Group Participant whose services have been seconded to any member within the Group shall not be subject to the provisions of this paragraph 10.1(e). In such a case, the Company shall send a circular to its shareholders containing all those terms as required under the Listing Rules and the Listing Manual including the rationale for the grant of Option to the Parent Group Participant.

10.2 Subject to sub-paragraphs 9.1, 9.2 and 10.1, in the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company or otherwise howsoever (other than as a result of an issue of Shares as consideration in a transaction), the maximum number of Shares referred to in sub-paragraphs 9.1, 9.2 and 10.1 will be adjusted in such manner as an independent financial adviser or the Auditors (acting as experts and not as arbitrators) shall confirm to the directors of the Company in writing to be fair and reasonable.

11. Reorganisation of capital structure

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalization issue, rights issue, open offer, subdivision, consolidation, reduction or distribution of the share capital of the Company or otherwise howsoever in accordance with the applicable legal requirements and requirements of the SEHK and the SGX-ST (excluding any alteration in the capital structure of the Company as a result of the issue of Shares as consideration in respect of an acquisition by the Company), such corresponding alterations (if any) shall be made to:

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or

(b) the Subscription Price;

as the Auditors shall (except in relation to a capitalisation issue) certify in writing to the directors of the Company to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to rule 17.03(13) of the Listing Rules and shall give a Grantee as nearly as possible (and not exceeding) the same proportion of the issued share capital of the Company as that to which the Grantee was previously entitled, provided that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value and/or to cause the Grantee to receive a benefit that shareholders of the Company do not receive and in no event shall adjustments be made to the advantage of a Grantee without specific prior approval from the shareholders of the Company. The capacity of the Auditors in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the Auditors shall be borne by the Company. Notice of such alteration(s) shall be given to the Grantees by the Company.

12. Share Capital

The exercise of any Option shall be subject to the shareholders of the Company in a general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Committee shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

13. Disputes

Any dispute arising in connection with this Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price or otherwise) shall be referred to the decision of the Auditors or an independent financial adviser appointed by the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding.

14. Alteration of this Scheme

14.1 The provisions of this Scheme may be altered in any respect by resolution of the Committee except that the provisions of this Scheme as to:

- (a) the definitions of “Committee”, “Grantee”, “Option Period” and “Participant” in sub-paragraph 1.1;
- (b) the provisions of paragraphs and sub-paragraphs 4, 5.1, 5.2, 5.3, 5.4, 6, 7, 8, 9, 10, 11 and this paragraph 14;
- (c) all such other matters set out in Rule 17.03 of the Listing Rules; and
- (d) all such other matters set out in Rules 844 to 849, and Rules 853 to 854 of the Listing Manual,

shall not be altered to the advantage of the Participants except with the prior approval of the shareholders of the Company in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the affected Grantees as would be required of the shareholders of the Company under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.

- 14.2 Any alterations to the terms and conditions of this Scheme which are of a material nature or any change to the terms of the Options granted or any alterations or modifications to the advantage of the Participants must be approved by the shareholders of the Company in general meeting, except where the alterations take effect automatically under the existing terms of this Scheme. In addition, no modification or alteration to the provisions of the Scheme shall be made without the prior approval of the SGX-ST or (if required) the SEHK or any other stock exchange on which the Shares are quoted and listed, and such other regulatory authorities as may be necessary.
- 14.3 The amended terms of this Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules and Chapter 8 of the Listing Manual.
- 14.4 Any change to the authority of the directors of the Company or scheme administrators in relation to any alteration to the terms of this Scheme must be approved by the shareholders of the Company in general meeting.
- 14.5 Written notice of any notification or alteration made in accordance with this paragraph 14 shall be given to all Participants.

15. Cancellation of the Options granted

The Committee may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Option granted but not exercised. Where the Company cancels Options of a Grantee and makes an Offer of the grant of new Options to the same Grantee, the Offer of such new Options may only be made under this Scheme with available Options (to the extent not yet granted and excluding the cancelled Options) within the limit approved by the shareholders of the Company as mentioned in paragraph 9.

16. Termination of this Scheme

The Company by resolution in general meeting or the Committee may at any time terminate the operation of this Scheme and in such event no further Options will be offered but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with this Scheme.

17. Miscellaneous

- 17.1 This Scheme shall not form part of any contract of employment or directorship, service contract or engagement contract between the relevant member(s) of the Group and any Participant and the rights and obligations of any Participant under the terms of his employment, directorship, appointment or engagement shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such employment, directorship, appointment or engagement for any reason.
- 17.2 This Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 17.3 The Company shall bear the costs of establishing and administering this Scheme.
- 17.4 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to holders of Shares.

17.5 Any notice or other communication between the Company and a Grantee may be given, in the case of notice and communication to the Company, by sending the same by prepaid post or by personal delivery to its principal place of business in Hong Kong or such other address as notified to the Grantees from time to time and, in the case of notice and communication to the Grantee (i) by sending the same by prepaid post or by personal delivery to his correspondence address in Hong Kong as notified to the Company from time to time or (ii) to the extent permitted by and in accordance with the Listing Rules, the Listing Manual and any other applicable laws, by electronic communication including by transmitting the same to any electronic number, address or web site as notified to the Company from time to time or by placing the same on the Company's website and/or the website of the SEHK and/or the website of the SGX-ST.

17.6 Any notice or other communication served by post:

- (a) by the Company shall be deemed to have been served on the Grantee 24 hours after the same was put in the post; and
- (b) by the Grantee shall not be deemed to have been received by the Company until the same shall have been received by the Company.

17.7 Any notice or other communication served by electronic communication by the Company shall be deemed to have been served on the Grantee:

- (a) in the case of placing on the Company's website and/or the website of the SEHK and/or the website of the SGX-ST, on the day on which the same is published on such web site; and
- (b) in any other case, on the day on which the same is transmitted to the Grantee if no notification has been received by the Company within 24 hours after the transmission that the electronic communication has not reached the Grantee,

or at such later time as may be prescribed by the Listing Rules, the Listing Manual or any other applicable laws. Any failure in transmission of the electronic communication which is beyond the Company's control shall not invalidate the effectiveness of the notice or communication being served.

17.8 The Company shall disclose the following in its annual report:

- (a) the name of the members of the Committee administering the Scheme; and
- (b) the information required in the table below for the following Participants:
 - (i) Participants who are directors of the Company; and
 - (ii) Participants, other than those in (i) and (ii) above, who receive five per cent. (5%) or more of the total number of Options available under the Scheme;

Name of Participant	Options granted during the financial year under review (including terms)	Aggregate Options granted since commencement of the Scheme to the end of the financial year under review	Aggregate Options exercised since commencement of the Scheme to the end of the financial year under review	Aggregate Options outstanding as at the end of the financial year under review
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- (c) (i) the names of and number and terms of Options granted to each Parent Group Participant who receives five per cent. (5.0%) or more of the total number of Options available to all Parent Group Participants under the Scheme, during the financial year under review; and
- (ii) the aggregate number of Options granted to the Parent Group Participants for the financial year under review, and since the commencement of the Scheme to the end of the financial year under review,

Provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

The Company shall also disclose in its annual report and interim report the information required under Rule 17.07 of the HK Listing Rules as well as comply with the disclosure requirements under Rule 17.08 of the HK Listing Rules.

- 17.9 All allotments and issues of Shares shall be subject to any necessary consents under any relevant enactment or regulation in force from time to time in Hong Kong, Singapore or elsewhere, and a Grantee shall be responsible for obtaining any governmental or other official consent or approval that may be required by any country or jurisdiction in order to permit the grant or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme.
- 17.10 Participants who are shareholders of the Company are to abstain from voting on any shareholders' resolution relating to the Scheme (including but not limited to any resolutions regarding the granting of Options to any Participant pursuant to the Scheme).
- 17.11 The Parent Company and its associates, and Parent Group Participants who are shareholders of the Company and eligible to participate in the Scheme are to abstain from voting on any resolution relating to the participation of, or grant of options to, Parent Group Participants.
- 17.12 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong in force from time to time.

APPENDIX 4

THE PROPOSED AMENDMENTS TO THE ARTICLES

The amendments which are proposed to be made to the Articles and the reasons for the amendments are set out below. For ease of reference and where appropriate, the full text of the provisions of those Articles proposed to be altered has also been reproduced and the principal amendments put in bold and underline or denoted with strikethroughs.

Article No.	Existing Article	Amended Article	Reasons for Amendment
1.	No existing definition	<p>“associate”</p> <p>“associate” has the meaning attributed to it in the rules or regulations of the Designated Stock Exchange.</p>	A new definition of “associate” which is contained in certain new article provisions is proposed to be added to have “the meaning attributed to it in the rules or regulations of the Designated Stock Exchange”.
	<p>“capital”</p> <p>“capital” means the share capital from time to time of the Company.</p>	<p>Definition deleted</p>	The definition of “capital” is proposed to be deleted to reflect that the concept of share capital no longer exists under the BVI Act.
	<p>“Depository”</p> <p>“Depository” means The Central Depository (Pte) Limited, a company incorporated in the Republic of Singapore and a wholly-owned subsidiary of the Singapore Exchange Securities Trading Limited, and (where the context requires) shall include any person specified by it in a notice given to the Company, as its nominee.</p>	<p>“Depository”</p> <p>“Depository” means The Central Depository (Pte) Limited, a company incorporated in the Republic of Singapore and a wholly-owned subsidiary of the Singapore Exchange Securities Trading Limited or a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction, and (where the context requires) shall include any person specified by it in a notice given to the Company, as its nominee.</p>	In contemplation of the introduction, the definition of “Depository” is proposed to be amended to include a reference to a clearing house recognized by the laws of the jurisdiction in which the Shares are listed on a stock exchange.

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>“Designated Stock Exchange”</p> <p>“Designated Stock Exchange” means the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed or quoted on the Singapore Exchange Securities Trading Limited or such other stock exchange in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.</p>	<p>“Designated Stock Exchange”</p> <p>“Designated Stock Exchange” means the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed or quoted on the Singapore Exchange Securities Trading Limited <u>and/or The Stock Exchange of Hong Kong Limited for so long as the shares of the Company are listed or quoted on The Stock Exchange of Hong Kong Limited and/or</u> such other stock exchange in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.</p>	<p>In contemplation of the Introduction, the definition of “Designated Stock Exchange” is proposed to be amended to include a reference to the SEHK.</p>
	<p>“Member” or “shareholder”</p> <p>“Member” or “shareholder” means a duly registered holder from time to time of the shares in the capital of the Company.</p>	<p>“Member” or “shareholder”</p> <p>“Member” or “shareholder” means a duly registered holder from time to time of the shares in the capital of the Company.</p>	<p>The definition of “Member” or “shareholder” is proposed to be amended to reflect that the concept of share capital no longer exists under the BVI Act.</p>
	<p>“Register”</p> <p>“Register” means the principal register of Members and where applicable, any branch register of Members of the Company kept pursuant to the provisions of the Act.</p>	<p>“Register”</p> <p>“Register” means the principal register of Members and where applicable, any branch register of Members of the Company <u>to be maintained at such place within or outside the British Virgin Islands as the Board may determine from time to time</u> kept pursuant to the provisions of the Act.</p>	<p>The definition of “Register” is proposed to be amended to provide for the maintaining of a branch register of members outside the BVI as the Board may from time to time determine, in contemplation of the setting up of a Hong Kong branch register of members for the Introduction.</p>
	<p>“Registration Office”</p> <p>“Registration Office” in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.</p>	<p>“Registration Office”</p> <p>“Registration Office” in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.</p>	<p>The definition of “Registration Office” is proposed to be amended to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>“treasury share”</p> <p>“treasury share” means a share of the Company that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled.</p>	<p><u>Definition deleted</u></p>	<p>The definition of “treasury share” is proposed to be deleted as it is a HK Listing Rules requirement that all shares of issuers listed on the SEHK repurchased be cancelled. Accordingly, the Company will no longer be allowed to have treasury shares after the listing of its Shares on the Main Board of the SEHK.</p>
3.	<p><u>SHARE CAPITAL</u></p> <p>The share capital of the Company at the date on which these Articles come into effect shall be ordinary shares of no par value.</p>	<p><u>SHARECAPITAL</u></p> <p>The shares capital of the Company at the date on which these Articles come into effect shall be ordinary shares of no par value and the Company is authorised to issue a maximum of 10,000,000,000 shares.</p>	<p>The existing Article 3 is proposed to be amended by replacing a reference to “share capital” with “share”. This proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.</p> <p>In addition, the existing Article 3 is also proposed to be amended by inserting the phrase “and the Company is authorised to issue a maximum of 10,000,000,000 shares” at the end of the article. The proposed amendment is made to provide for the maximum number of Shares as required under a guideline set out in a decision of SEHK.</p>
3A(2).	<p>Any power of the Company to purchase, redeem or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit and shall also be subject to the Act and the Memorandum and, for so long as the shares of the Company are listed on the Designated Stock Exchange, any such purchase, redemption or acquisition shall also be subject to the rules and regulations of the Designated Stock Exchange.</p>	<p>Any power of the Company to purchase, redeem or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit and shall also be subject to the Act and the Memorandum and, for so long as the shares of the Company are listed on the Designated Stock Exchange, any such purchase, redemption or acquisition shall also be subject to the rules and regulations of the Designated Stock Exchange and, for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited, any such purchase, redemption or acquisition not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases, and if purchases are by tender, tenders shall be available to all Members alike.</p>	<p>The proposed insertion to the existing Article 3A(2) is made to reflect the requirement for issuers listed on the SEHK to comply with the HK Listing Rules.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
3A(5).	<p>A share that the Company purchases, redeems or otherwise acquires may be cancelled or held by the Company as a treasury share provided that the Company may only hold a share that has been purchased, redeemed or otherwise acquired as a treasury share if the number of shares purchased, redeemed or otherwise acquired, when aggregated with shares of the same class already held by the Company as treasury shares, does not exceed 50% of the shares of that class previously issued by the Company, excluding shares that have been cancelled.</p>	<p>AShares that the Company purchases, redeems or otherwise acquires may shall be cancelled and the share certificate(s) (if any) relating to such shares shall be cancelled and destroyed as soon as reasonably practicable following settlement of such purchase, redemption or acquisition held by the Company as a treasury share provided that the Company may only hold a share that has been purchased, redeemed or otherwise acquired as a treasury share if the number of shares purchased, redeemed or otherwise acquired, when aggregated with shares of the same class already held by the Company as treasury shares, does not exceed 50% of the shares of that class previously issued by the Company, excluding shares that have been cancelled</p>	<p>The existing Article 3A(5) deals with the Company's ability to purchase, redeem or otherwise acquire its Shares. It is proposed that the existing Article 3A(5) be amended to provide that repurchased Shares and their relevant share certificates will be cancelled.</p> <p>The existing Article 3A(5) is also proposed to be amended to remove provision on treasury shares, as issuers listed on the SEHK are not allowed to hold treasury shares.</p>
4.	<p>The Company may from time to time by ordinary resolution of Members and in accordance with the Act amend its Memorandum:</p> <p>(a) to change the maximum number of shares that the Company is authorised to issue, or to authorise the Company to issue an unlimited number of shares;</p> <p>(b) to increase the classes of shares which the Company is authorised to issue and, without prejudice to any special rights previously conferred on the holders of existing class of shares, attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";</p>	<p>The Company may from time to time by ordinary resolution of Members and in accordance with the Act amend its Memorandum:</p> <p>(a) to change the maximum number of shares that the Company is authorised to issue, or to authorise the Company to issue an unlimited number of shares;</p> <p>(b) to increase the classes of shares which the Company is authorised to issue and, without prejudice to any special rights previously conferred on the holders of existing class of shares, attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";</p>	<p>The existing Article 4 is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>(c) divide its shares, including issued shares, into a larger number of shares or combine its shares, including issued shares, into a smaller number of shares;</p> <p>(d) change the currency denomination of its share capital;</p> <p>(e) make provision for the issue and allotment of shares which do not carry any voting rights; and</p> <p>(f) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.</p>	<p>(c) divide its shares, including issued shares, into a larger number of shares or combine its shares, including issued shares, into a smaller number of shares;</p> <p>(d) change the currency denomination of its share capital;</p> <p>(ed) make provision for the issue and allotment of shares which do not carry any voting rights; and</p> <p>(fe) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.</p>	
7.	<p>Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.</p>	<p>Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares issued by the Company shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.</p>	<p>The existing Article 7 is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p>
8(1).	<p>Subject to the Act, the Memorandum and these Articles, and any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to Distribution, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.</p>	<p>Subject to the Act, the Memorandum and these Articles, and any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to Distribution, voting, return of capital or otherwise as the Company may by ordinary special resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.</p>	<p>The existing Article 8(1) is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p> <p>In addition, the existing Article 8(1) is also proposed to be amended by replacing "ordinary resolution" with "special resolution". This proposed amendment is to provide that any distribution to Shareholders must be approved by special resolution of the Shareholders pursuant to a guideline set out in a decision of the SEHK.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
8(3).	Treasury shares may be transferred by the Company and the provisions of the Act, the Memorandum and these Articles that apply to the issue of shares apply to the transfer of treasury shares. All the rights and obligations attaching to a treasury share are suspended and shall not be exercised by or against the Company while it holds the share as a treasury share.	<u>Article deleted</u>	The existing Article 8(3) deals with treasury shares. As the Company will not be allowed to hold treasury shares upon the listing of its Shares on the SEHK, this article is proposed to be deleted.
9(3).	The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.	The Company has power to issue further preference capital shares ranking equally with, or in priority to, preference shares already issued.	The existing Article 9(3) is proposed to be amended by deleting a reference to "capital". The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.
10.	Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Statutes, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the total issued shares of the class or with the sanction of a special resolution passed at a meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting and all adjournments thereof all the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall <i>mutatis mutandis</i> apply, except that the necessary quorum (other than at an adjourned meeting) shall be two persons at least one-third of the total issued shares of the class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of three-quarters of the total issued shares of the class concerned within two months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting.	Whenever the shares capital of the Company is are divided into different classes of shares, subject to the provisions of the Statutes, preference capital shares other than redeemable preference capital shares may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the total issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting and all adjournments thereof all the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall <i>mutatis mutandis</i> apply, except that the necessary quorum (other than at an adjourned meeting) shall be two persons at least holding or representing by proxy at least one-third of the total issued shares of the class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of three-quarters of the total issued shares of the class concerned within two months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting.	The existing Article 10 is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.

Article No.	Existing Article	Amended Article	Reasons for Amendment
12(1).	<p>Subject to the Act and to the rules or regulations of the Designated Stock Exchange (if applicable), no shares may be issued by the Board without the prior approval of the Company in general meeting but subject thereto and to these Articles and without prejudice to any special rights or restrictions for the time being attached to any shares or any class or series of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares with a par value shall be issued at a discount, provided always that:-</p> <p>(a) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the Members in general meeting;</p> <p>(b) (subject to any direction to the contrary that may be given by the Company in general meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 12(2) with such adaptations as are necessary shall apply; and</p> <p>(c) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 12(3), shall be subject to the approval of the Company in general meeting.</p>	<p>Subject to the Act and to the rules or regulations of the Designated Stock Exchange (if applicable), no shares may be issued by the Board without the prior approval of the Company in general meeting but subject thereto and to these Articles and without prejudice to any special rights or restrictions for the time being attached to any shares or any class or series of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares with a par value shall be issued at a discount, provided always that:-</p> <p>(a) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the Members in general meeting;</p> <p>(b) (subject to any direction to the contrary that may be given by the Company in general meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 12(2) with such adaptations as are necessary shall apply; and</p> <p>(c) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 12(3), shall be subject to the approval of the Company in general meeting.</p>	<p>The existing Article 12(1) is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
12(3).	<p>Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.</p> <p>Notwithstanding Article 12(2) above but subject to the Statutes and in accordance with any applicable listing rules of the Designated Stock Exchange, the Company in general meeting may by ordinary resolution grant to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the said ordinary resolution, to:-</p> <p>(a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or</p>	<p>Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.</p> <p>Notwithstanding Article 12(2) above but subject to the Statutes and in accordance with any applicable listing rules of the Designated Stock Exchange, the Company in general meeting may by ordinary resolution grant to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the said ordinary resolution, to:-</p> <p>(a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or</p>	<p>The existing Article 12(3) is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>(ii) 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; and</p> <p>(b) (notwithstanding the authority conferred by the said ordinary resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the said ordinary resolution was in force,</p> <p>provided that:--</p> <p>(aa) the aggregate number of Shares to be issued pursuant to the said ordinary resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to the said ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Designated Stock Exchange;</p> <p>(bb) in exercising the authority conferred by the said ordinary resolution, the Company shall comply with the listing rules of the Designated Stock Exchange for the time being in force (unless such compliance is waived by the Designated Stock Exchange) and these presents; and</p> <p>(cc) (unless revoked or varied by the Company in general meeting) the authority conferred by the said ordinary resolution shall not continue in force beyond the conclusion of the annual general meeting of the Company next following the passing of the said ordinary resolution, or the date by which such annual general meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).</p>	<p>(ii) 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; and</p> <p>(b) (notwithstanding the authority conferred by the said ordinary resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the said ordinary resolution was in force,</p> <p>provided that:--</p> <p>(aa) the aggregate number of Shares to be issued pursuant to the said ordinary resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to the said ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Designated Stock Exchange;</p> <p>(bb) in exercising the authority conferred by the said ordinary resolution, the Company shall comply with the listing rules of the Designated Stock Exchange for the time being in force (unless such compliance is waived by the Designated Stock Exchange) and these presents; and</p> <p>(cc) (unless revoked or varied by the Company in general meeting) the authority conferred by the said ordinary resolution shall not continue in force beyond the conclusion of the annual general meeting of the Company next following the passing of the said ordinary resolution, or the date by which such annual general meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).</p>	

Article No.	Existing Article	Amended Article	Reasons for Amendment
12(4).	<p>The Board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine. Provided that such issue must be specifically approved by the Company in general meeting if required by the rules or regulations of the Designated Stock Exchange.</p>	<p>The Board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine. Provided that such issue must be specifically approved by the Company in general meeting if required by the rules or regulations of the Designated Stock Exchange.</p>	<p>The existing Article 12(4) is proposed to be amended by deleting references to “share capital”. The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p>
18(2).	<p>The fee payable in respect of share certificates referred to in this Article and Article 19 shall be an amount not exceeding two Singapore dollars (\$2.00) per certificate or such other maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time waive such fee or determine a lower amount for such fee.</p>	<p>The fee payable in respect of share certificates referred to in this Article and Article 19 shall be an amount not exceeding two Singapore dollars (\$2.00) per certificate or such other maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time waive such fee or determine a lower amount for such fee.</p>	<p>The existing Article 18(2) is proposed to be amended by deleting the phrase “two Singapore dollars (\$2.00) per certificate or” and the word “other”.</p> <p>The proposed amendment is made as the SEHK may prescribe a different maximum fee chargeable in respect of share certificates.</p>
21.	<p>Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Designated Stock Exchange or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding two Singapore dollars (\$2.00) as the Directors may from time to time require together with the amount of the stamp duty payable (if any) on each share certificate. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.</p>	<p>Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Designated Stock Exchange or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding two Singapore dollars (\$2.00) the maximum sum as the Designated Stock Exchange may determine to be payable together with the amount of the stamp duty payable (if any) on each share certificate. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss. <u>Where share warrants are issued to the bearer, no certificate thereof shall be issued to replace the one that has been lost unless the Company is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed.</u></p>	<p>Similar to the reason for amending Article 18(2) as set out above, the existing Article 21 is also proposed to be amended to replace the phrase “two Singapore dollars (\$2.00)” by “the maximum sum as the Designated Stock Exchange may determine to be payable”.</p> <p>In addition, to comply with the HK Listing Rules requirements, the existing Article 21 is proposed to be further amended by inserting the following sentence at the end of the article:</p> <p>“Where share warrants are issued to the bearer, no certificate thereof shall be issued to replace the one that has been lost unless the Company is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed.”</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
43(1).	<p>The Company shall keep in one or more books a Register and shall enter therein particulars required by the Act.</p>	<p>The Company shall keep in one or more books a Register and shall enter therein particulars required by the Act. <u>The Company shall not be bound to register more than four (4) persons as the holders of any shares except in the case of the legal personal representatives of a deceased member.</u></p>	<p>The proposed insertion of the new sentence is made to comply with the requirement under the HK Listing Rules that the power to limit the number of shareholders in a joint account shall not prevent the registration of a maximum of four persons.</p>
44(1).	<p>A Member is entitled, on giving prior written notice to the Company, to inspect, take copies of or take extracts from the Register including the Company's memorandum of association and articles of association, the register of directors and minutes of meetings and resolutions of members and of those classes of members of which the Member is a member (collectively, for the purpose of this Article 44, the "Documents"). The Documents shall be open to inspection by Members on every business day, subject to such reasonable restrictions as the Board may impose, so that no less than two (2) hours on every business day be allowed for inspection. The Register including any overseas or local or other branch register of Members may, after notice has been given in accordance with applicable requirements of any Designated Stock Exchange or by any electronic means as may be accepted by the Designated Stock Exchange, be closed at such times or for such periods in each year as the Board may determine and either generally or in respect of any class of shares.</p>	<p>A Member is entitled, on giving prior written notice to the Company, to inspect, take copies of or take extracts from the Register including the Company's memorandum of association and articles of association, the register of directors and minutes of meetings and resolutions of members and of those classes of members of which the Member is a member (collectively, for the purpose of this Article 44, the "Documents"). The Documents shall be open to inspection by Members on every business day, subject to such reasonable restrictions as the Board may impose, so that no less than two (2) hours on every business day be allowed for inspection. The Register including any overseas or local or other branch register of Members may, after notice has been given in accordance with applicable requirements of any Designated Stock Exchange or by any electronic means as may be accepted by the Designated Stock Exchange, be closed at such times or for such periods not exceeding, in the whole, thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.</p>	<p>The existing Article 44(1) is proposed to be amended to provide that the register of members of the Company shall be open to inspection by members no less than two hours on every business day, and closure of the register of members shall be for periods not exceeding thirty days, pursuant to a guideline under the Joint Policy Statement.</p>
44(2).	<p>The Board may, if it is satisfied that it would be contrary to the Company's interests to allow a Member to inspect the Register, register of directors or the minutes of meetings or resolutions of members of which the Member is a member, or any part thereof, refuse to permit the Member to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. The Board shall, as soon as reasonably practicable, notify the Member of the same.</p>	<p>The Board may, if it is satisfied that it would be contrary to the Company's interests to allow as shall not refuse to permit a Member to inspect the Register, register of directors or the minutes of meetings or resolutions of members of which the Member is a member, or any part thereof, refuse to permit the Member to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. The Board shall, as soon as reasonably practicable, notify the Member of the same.</p>	<p>The existing Article 44(2) is proposed to be amended to provide that the Board shall not refuse to permit Shareholders to inspect the registers of members, directors or minutes or resolutions or limit the inspection of documents. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
45.	<p>Notwithstanding any other provision of these Articles, and subject to the Act, the Company or the Directors may fix any date as the record date for:—</p> <p>(a) determining the Members entitled to receive any Distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such Distribution, allotment or issue is declared, paid or made; and</p> <p>(b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company;</p> <p>provided that in respect of paragraph (b) above, the Directors may fix the date on which notice is given of a general meeting, or such other date as may be specified in the notice, as the record date for determining those Members that are entitled to vote at the general meeting.</p>	<p>Notwithstanding any other provision of these Articles, and subject to the rules of the Designated Stock Exchange and the Act, the Company or the Directors may fix any date as the record date for:—</p> <p>(a) determining the Members entitled to receive any Distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such Distribution, allotment or issue is declared, paid or made; and</p> <p>(b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company;</p> <p>provided that in respect of paragraph (b) above, the Directors may fix the date on which notice is given of a general meeting, or such other date as may be specified in the notice, as the record date for determining those Members that are entitled to vote at the general meeting.</p>	<p>The proposed amendment is to ensure that requirements under the HK Listing Rules and/or the Listing Manual will be complied with in this respect.</p>
48(1).	<p>The Board may, in its absolute discretion and without giving any reason therefor, pass a resolution refusing or delaying to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share (not being a fully paid up share) on which the Company has a lien or, except in the case of a transfer to executors, administrators or trustees of the estate of a deceased Member, a transfer of any share to more than three (3) joint holders.</p>	<p>The Board may, in its absolute discretion and without giving any reason therefor, pass a resolution refusing or delaying to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share (not being a fully paid up share) on which the Company has a lien or, except in the case of a transfer to executors, administrators or trustees of the estate of a deceased Member, a transfer of any share to more than four (4) joint holders.</p>	<p>The proposed amendment is made for compliance with the requirement under the HK Listing Rules.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
52.	<p>In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of the Law, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member. Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.</p>	<p>In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of the LawAct, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member. Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.</p>	<p>The existing Article 52 is proposed to be amended to correct a typographical error in relation to the reference to the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
54A.	No existing article.	<p><u>UNTRACEABLE MEMBERS</u></p> <p><u>54A. (1) Without prejudice to the rights of the Company under paragraph (2) of this Article, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.</u></p> <p><u>(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:</u></p> <p><u>(a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained unclaimed; and</u></p>	<p>The proposed insertion of Article 54A is made to provide provisions regarding the treatment of uncashed dividends and the Company's power to sell the shares held by untraceable members pursuant to requirements under the HK Listing Rules.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
		<p>(b) <u>the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.</u></p> <p><u>For the purpose of the foregoing, the "relevant period" means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (b) of this Article and ending at the expiry of the period referred to in that paragraph.</u></p> <p><u>(3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.</u></p>	

Article No.	Existing Article	Amended Article	Reasons for Amendment
57.	<p>The Board may whenever it thinks fit call extraordinary general meetings, and, subject to the Act, the Board shall call an extraordinary general meeting if requested in writing to do so by Members entitled to exercise at the date of deposit of the requisition not less than one-tenth of the total voting rights of he matter for which the meeting is being requested. The written requisition shall be made to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>	<p>The Board may whenever it thinks fit call extraordinary general meetings, and, subject to the Act, the Board shall call an extraordinary general meeting if requested in writing to do so by Members entitled to exercise at the date of deposit of the requisition not less than one-tentwentieth of the total voting rights of the matter for which the meeting is being requested. The written requisition shall be made to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>	<p>The existing Article 57 is proposed to be amended to provide that Shareholders holding not less than 5.0% (instead of the 10.0% provided by the existing Article 57) of the total voting rights of the Company may require the Board to convene an extraordinary general meeting for the transaction of any business specified in the requisition. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
58(1).	<p>At least fourteen (14) days' Notice of a general meeting shall be given to those persons whose name, on the date of the Notice is given, appear in the Register and are entitled to vote at the general meeting. A general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) days' Notice. A general meeting, whether or not a special resolution will be considered at such meeting may be called by shorter notice if it is so agreed:—</p> <p>(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety per cent. (90%) of the total voting rights on all the matters to be considered at the meeting;</p> <p>and for this purpose, the presence of a Member at the general meeting shall be deemed to constitute waiver on his part.</p>	<p>At least fourteen (14) days' Notice of a general meeting shall be given to those persons whose name, on the date of the Notice is given, appear in the Register and are entitled to vote at the general meeting. An annual general meeting or an extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) days' Notice. A general meeting, whether or not a special resolution will be considered at such meeting may be called by shorter notice if it is so agreed:—</p> <p>(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than <u>ninety-five</u> per cent. (<u>95</u>%) of the total voting rights on all the matters to be considered at the meeting;</p> <p>and for this purpose, the presence of a Member at the general meeting shall be deemed to constitute waiver on his part.</p>	<p>The existing Article 58(1) relates to the notice period required for general meetings and is proposed to be amended to provide that (i) any annual general meeting, and (ii) any extraordinary general meeting at which a special resolution will be proposed, shall be convened on at least 21 days' notice, and any other general meeting shall be convened on at least 14 days' notice. A general meeting may be called by shorter notice, in the case of an annual general meeting, if it is so agreed by all members entitled to attend and vote thereat, and in the case of any other general meetings, if it is so agreed by a majority of members who together hold no less than 95% of the total voting rights on all matters to be considered at a meeting. The amendments are proposed to be made pursuant to a guideline under the Joint Policy Statement.</p>
58(2).	<p>For so long as the shares of the Company are listed on the Designated Stock Exchange, at least fourteen (14) days' notice of any general meeting shall be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to the Designated Stock Exchange.</p>	<p>For so long as the shares of the Company are listed on the Singapore Exchange Securities Trading Limited Designated Stock Exchange, at least fourteen (14) days' notice of any general meeting shall be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to the Designated Stock Exchange.</p>	<p>The existing Article 58(2) is proposed to be amended to clarify that the requirement of giving at least 14 days' notice of general meeting in newspapers and to the Designated Stock Exchange is applicable for so long as the Company is listed on the SGX-ST.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
75A.	No existing article.	<u>Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</u>	The proposed insertion of Article 75A is made to provide a provision that where any shareholder is required under the Listing Manual or the HK Listing Rules, as the case may be, to abstain from voting or restricted to voting only for or against a particular resolution of the Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted pursuant to requirements under the HK Listing Rules.
77(1).	<p>Any Member entitled to attend and vote at a meeting of the Company who is the holder of two or more shares shall be entitled to appoint not more than two proxies to attend, speak and vote instead of him at the same general meeting provided that if the Member is the Depository:—</p> <p>(a) the Depository may appoint more than two proxies to attend, speak and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of the Depository as the Depository could exercise, including, notwithstanding Article 65, the right to vote individually on a show of hands;</p> <p>(b) unless the Depository specifies otherwise in a written notice to the Company, the Depository shall be deemed to have appointed as the Depository's proxies to vote on behalf of the Depository at a general meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company and notwithstanding any other provisions in these Articles, the appointment of proxies by virtue of this Article 77(1)(b) shall not require an instrument of proxy or the lodgement of any instrument of proxy;</p>	<p>Any Member entitled to attend and vote at a meeting of the Company who is the holder of two or more shares shall be entitled to appoint not more than two one or more proxies to attend, speak and vote instead of him at the same general meeting provided that if the Member is the Depository:—</p> <p>(a) the Depository may appoint more than two proxies to attend, speak and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of the Depository as the Depository could exercise, including, notwithstanding Article 65, the right to vote individually on a show of hands;</p> <p>(b) unless the Depository specifies otherwise in a written notice to the Company, the Depository shall be deemed to have appointed as the Depository's proxies to vote on behalf of the Depository at a general meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company and notwithstanding any other provisions in these Articles, the appointment of proxies by virtue of this Article 77(1)(b) shall not require an instrument of proxy or the lodgement of any instrument of proxy;</p>	The existing Article 77(1) is proposed to be amended to allow a Shareholder holding two or more Shares to appoint one (1) or more proxies (instead of not more than two (2)) as provided in the existing Article 77(1)) to attend and vote at a general meeting. The amendment is proposed to be made pursuant to a guideline under the Joint Policy Statement.

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>(c) the Company shall accept as valid in all respects the form of instrument of proxy approved by the Depository (the "CDP Proxy Form") for use at the date relevant to the general meeting in question naming a Depositor (the "Nominating Depositor") and permitting that Nominating Depositor to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository. The Company shall, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, have regard to the instructions given by and the notes (if any) set out in the CDP Proxy Form. The submission of any CDP Proxy Form shall not affect the operation of Article 77(1)(b) and shall not preclude a Depositor appointed as a proxy by virtue of Article 77(1)(b) from attending and voting at the relevant meeting but in the event of attendance by such Depositor the CDP Proxy Form submitted bearing his name as the Nominating Depositor shall be deemed to be revoked;</p> <p>(d) the Company shall reject any CDP Proxy Form of a Nominating Depositor if his name is not shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company; and</p> <p>(e) on a poll the maximum number of votes which a Depositor, or proxies appointed pursuant to a CDP Proxy Form in respect of that Depositor, is able to cast shall be the number of shares credited to the Securities Account of that Depositor as shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any CDP Proxy Form or instrument of proxy executed by or on behalf of the Depository.</p>	<p>(c) the Company shall accept as valid in all respects the form of instrument of proxy approved by the Depository (the "CDP Proxy Form") for use at the date relevant to the general meeting in question naming a Depositor (the "Nominating Depositor") and permitting that Nominating Depositor to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository. The Company shall, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, have regard to the instructions given by and the notes (if any) set out in the CDP Proxy Form. The submission of any CDP Proxy Form shall not affect the operation of Article 77(1)(b) and shall not preclude a Depositor appointed as a proxy by virtue of Article 77(1)(b) from attending and voting at the relevant meeting but in the event of attendance by such Depositor the CDP Proxy Form submitted bearing his name as the Nominating Depositor shall be deemed to be revoked;</p> <p>(d) the Company shall reject any CDP Proxy Form of a Nominating Depositor if his name is not shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company; and</p> <p>(e) on a poll the maximum number of votes which a Depositor, or proxies appointed pursuant to a CDP Proxy Form in respect of that Depositor, is able to cast shall be the number of shares credited to the Securities Account of that Depositor as shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any CDP Proxy Form or instrument of proxy executed by or on behalf of the Depository.</p>	

Article No.	Existing Article	Amended Article	Reasons for Amendment
77(1A).	No existing article.	<p><u>If the Depository, being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).</u></p>	<p>This proposed insertion of the new Article 77(1A) is made to provide that a recognised clearing house, if it or its nominee is a member of a company, to authorise such person or persons to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The amendment is proposed to be made pursuant to a guideline under the Joint Policy Statement.</p>
87.	<p>A person who is not a retiring Director shall be eligible for election to office of Director at any general meeting if a Member intending to propose him has, at least eleven (11) clear days before the meeting, left at the Office or the Registration Office a Notice 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. In the case of a person recommended by the Directors for election, nine (9) clear days' Notice only shall be necessary. Notice of each and every candidature for election to the Board shall be served on the Members at least seven (7) days prior to the meeting at which the election is to take place.</p>	<p>A person who is not a retiring Director shall be eligible for election to office of Director at any general meeting if a Member intending to propose him has, at least eleven (11) clear days before the meeting, left at the Office or the Registration Office a Notice 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. In the case of a person recommended by the Directors for election, nine (9) clear days' Notice only shall be necessary. Notice of each and every candidature for election to the Board shall be served on the Members at least seven (7) days prior to the meeting at which the election is to take place. <u>The period for lodgment of the notices referred to in this Article shall commence no earlier than the day after the despatch of the Notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.</u></p>	<p>The proposed amendment is made to set out the period for lodgment of notice regarding candidates nominated for election as Directors pursuant to requirements under the HK Listing Rules.</p>
88(A).	No existing article.	<p><u>Where a Director is disqualified from acting as a director in any jurisdiction for reasons other than technical grounds, the Directors must immediately resign from office.</u></p>	<p>The proposed insertion of a new Article 88A is made pursuant to paragraph 9(n) of Appendix 2.2 of the Listing Manual.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
100.	<p>Subject to the Law and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract, arrangement or transaction in which he is interested in accordance with Article 101 herein.</p>	<p>Subject to the Law-Act and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract, arrangement or transaction in which he is interested in accordance with Article 101 herein.</p>	<p>The existing Article 100 is proposed to be amended to correct a typographical error in relation to the reference to the BVI Act.</p>
102(1).	<p>A Director shall not vote on any resolution of the Board in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction in which he has directly or indirectly a personal material interest. Matters in which he shall not be considered to have a personal material interest shall include the following:-</p> <ol style="list-style-type: none"> (a) any contract, arrangement or transaction for the giving to such Director any security or indemnity in respect of money lent by him or obligations incurred or undertaken by him at the request of or for the benefit of the Company or any of its subsidiaries; (b) any contract, arrangement or transaction for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director has himself assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security; (c) any contract, arrangement or transaction in which he is interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his interest in shares or debentures or other securities of the Company; 	<p>A Director shall not vote on any resolution of the Board in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction in which he <u>or any of his associates</u> has directly or indirectly a <u>personal material interest nor shall he be counted in the quorum present at the meeting of the Board, but this prohibition shall not apply to any of</u> Matters in which he shall not be considered to have a personal material interest shall include the following <u>matters, namely</u>:-</p> <ol style="list-style-type: none"> (a) any contract, arrangement or transaction for the giving to such Director any security or indemnity in respect of money lent by him or obligations incurred or undertaken by him at the request of or for the benefit of the Company or any of its subsidiaries; (b) any contract, arrangement or transaction for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director has himself assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security; 	<p>The existing Article 102(1) provides that a Director shall not vote on any resolution of the Board in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction in which he has directly or indirectly a personal material interest. The existing Article 102(1) is proposed to be amended to also restrict the Director from voting where his associates has a material interest and to provide that such Director shall not be counted in the quorum present at the meeting pursuant to requirements under the HK Listing Rules. Amendments are also proposed to the exceptions to the restrictions in this Article to follow what is allowed under the HK Listing Rules.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>(d) any contract, arrangement or transaction concerning any other company in which he is interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director together with any of his associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange) is beneficially interested in (other than through his interest (if any) in the Company) five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest is derived);</p> <p>(e) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates; or</p> <p>(f) any contract, arrangement or transaction which (i) is between the Director and the Company and (ii) is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.</p>	<p>(c) any contract, arrangement or transaction in which he is interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his interest in shares or debentures or other securities of the Company;</p> <p>(d) any contract, arrangement or transaction concerning any other company in which he is interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director together with any of his associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange) is beneficially interested in (other than through his interest (if any) in the Company) five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest is derived); or</p> <p>(e) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates; or.</p> <p>(f) any contract, arrangement or transaction which (i) is between the Director and the Company and (ii) is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.</p>	

Article No.	Existing Article	Amended Article	Reasons for Amendment
102(2).	<p>A company shall be deemed to be a company in which a Director owns five per cent. (5%) or more if and so long as (but only if and so long as) he and his associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in (other than through his interest (if any) in the Company) five per cent. (5%) or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder and any shares which carry no voting right at general meetings.</p>	<p>A company shall be deemed to be a company in which a Director owns five per cent. (5%) or more if and so long as (but only if and so long as) he and his associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in (other than through his interest (if any) in the Company) five per cent. (5%) or more of any class of the equity-share-capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder and any shares which carry no voting right at general meetings.</p>	<p>The existing Article 102(2) is proposed to be amended by deleting a reference to "share capital". The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
103(4).	No existing article.	<p>Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Act, the Company shall not directly or indirectly:</p> <p>(i) <u>make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange);</u></p> <p>(ii) <u>enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or</u></p> <p>(iii) <u>if any one more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.</u></p> <p><u>Article 103(4) shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.</u></p>	<p>The proposed insertion of a new Article 103(4) is made to confine the circumstances under which the Company may make loans, including <i>quasi</i> loans and credit transactions, to a Director. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.</p>
109.	<p>The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.</p>	<p>The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital<u>share</u> of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.</p>	<p>The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.</p>
112(1).	<p>Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.</p>	<p>Where any uncalled capital<u>share</u> of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.</p>	<p>The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
136.	<p>The Board may, subject to these Articles and in accordance with the Act, authorise a Distribution by the Company at such time and of such amount as they think fit. The Company in general meeting may also, subject to these Articles and in accordance with the Act, authorise a Distribution to be made to the Members but no Distribution shall be authorised by the Company in general meeting in excess of the amount recommended by the Board.</p>	<p>The Board may, subject to approval by special resolution of the Members, these Articles and in accordance with the Act, authorise a Distribution by the Company at such time and of such amount as they think fit. The Company in general meeting may by special resolution also, subject to these Articles and in accordance with the Act, authorise a Distribution to be made to the Members but no Distribution shall be authorised by the Company in general meeting in excess of the amount recommended by the Board.</p>	<p>The proposed amendments are made to provide that any distribution to the Shareholders must be approved by special resolution of the Shareholders pursuant to a guideline set out in a decision of the SEHK.</p>
145(5).	<p>Any resolution declaring a Distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the Distribution shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such Distribution of transferors and transferees of any such shares. The provisions of this Article shall <i>mutatis mutandis</i> apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.</p>	<p>Any resolution declaring a Distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the Distribution shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such Distribution of transferors and transferees of any such shares. The provisions of this Article shall <i>mutatis mutandis</i> apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.</p>	<p>The proposed amendment is made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
147 & 148.	<p><u>CAPITALISATION</u></p> <p>147. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of Distribution and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution. In carrying sums to reserve and in applying the same the Board shall comply with all applicable law.</p> <p>148. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Article and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.</p>	<p><u>Articles deleted</u></p>	<p>The deletion of Articles 147 and 148 which relate to capitalisation are proposed to be made to reflect that the concept of share capital no longer exists under the BVI Act.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
151(2).	<p>Subject to Articles 151(1) and (3), a copy of the financial statements which is to be laid before a general meeting of the Company, made up to the end of the applicable financial year and including every document and all information as required by all applicable Statutes, rules and regulations, and the rules or regulations of the Designated Stock Exchange ("Financial Statements"), together with a copy of the Auditor's report, shall be sent to each person entitled thereto (the "Entitled Persons") at least fourteen (14) days before the date of the general meeting provided that this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.</p>	<p>Subject to Articles 151(1) and (3), a copy of the Directors' report accompanied by financial statements (including the balance sheet and profit and loss account or income and expenditure account) which is to be laid before a general meeting of the Company, made up to the end of the applicable financial year and including every document and all information as required by all applicable Statutes, rules and regulations, and the rules or regulations of the Designated Stock Exchange ("Financial Statements"), together with a copy of the Auditor's report, shall be sent to each person entitled thereto (the "Entitled Persons") at least twenty-one (21)fourteen(14) days before the date of the general meeting provided that this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.</p>	<p>The proposed amendments are made to comply with requirements under the HK Listing Rules.</p>
152(2).	<p>A person, other than a retiring Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than fourteen (14) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the retiring Auditor.</p>	<p>A person, other than a retiring Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-eight (28)fourteen days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the retiring Auditor.</p>	<p>The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
158.	<p>Any Notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message and any such Notice and (where appropriate) any other document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or facsimile transmission number supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with applicable requirements of the Designated Stock Exchange. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to or receipt by all the joint holders.</p>	<p>Any Notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message <u>or other form of electronic transmission or communication</u> and any such Notice and (where appropriate) any other document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number <u>or electronic number or address or website</u> supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served <u>by advertisement in appropriate newspapers</u> in accordance with applicable requirements of the Designated Stock Exchange <u>or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock Exchange in accordance with applicable requirements of the Designated Stock Exchange</u>. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to or receipt by all the joint holders.</p>	<p>The existing Article 158 is proposed to be amended to specify that notices to members can be given by advertisement in newspapers, by electronic transmission or communication or by placing it on the website of the Company or of the Designated Stock Exchange in accordance with applicable requirements. Such amendments are to ensure compliance with requirements under the HK Listing Rules, and to accommodate other electronic means of giving notices to members.</p>
162(1).	<p>The Board shall have power in the name and on behalf of the Company to make an application to the court for the appointment of a liquidator under the Insolvency Act of the British Virgin Islands.</p>	<p>A resolution that the Company be wound up by the Court or be wound up voluntarily shall be passed by way of a special resolution. The Board shall have power in the name and on behalf of the Company to make an application to the court for the appointment of a liquidator under the Insolvency Act of the British Virgin Islands.</p>	<p>This proposed amendment is made to provide that a resolution for winding-up of the Company by the court or for voluntary winding-up of the Company shall be passed by way of a special resolution. The proposed amendment is made pursuant to a guideline under the Joint Policy Statement.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
163(1).	<p>Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares, (i) if the assets available for distribution amongst the Members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the liquidation, the excess shall be distributed pari passu amongst such Members in proportion to the amount paid up on the shares held by them respectively and (ii) if the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the liquidation on the shares held by them respectively.</p>	<p>Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares, (i) if the assets available for distribution amongst the Members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the liquidation, the excess shall be distributed pari passu amongst such Members in proportion to the amount paid up on the of shares held by them respectively and (ii) if the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the liquidation on the shares held by them respectively.</p>	<p>The existing Article 163(1) is proposed to be amended by deleting references to "share capital". The proposed amendments are made to reflect that the concept of share capital no longer exists under the BVI Act.</p>
167.	<p>(1) For so long as the shares of the Company are listed on the Designated Stock Exchange, each Director shall, upon his appointment to the Board, give an undertaking to the Company that, for so long as he remains a Director, he shall forthwith notify the Secretary of the particulars of the shares beneficially owned by him at the time of his appointment and of any change in such particulars.</p>	<p>(1) For so long as the shares of the Company are listed on the Designated Stock Exchange Singapore Exchange Securities Trading Limited, each Director shall, upon his appointment to the Board, give an undertaking to the Company that, for so long as he remains a Director, he shall forthwith notify the Secretary of the particulars of the shares beneficially owned by him at the time of his appointment and of any change in such particulars.</p>	<p>The proposed amendments are made to reflect that such requirements are in effect for so long as the shares of the Company are listed on the Main Board of the SGX-ST to the exclusion of the SEHK as the notification requirements are not in the HK Listing Rules.</p>

Article No.	Existing Article	Amended Article	Reasons for Amendment
	<p>(2) For so long as the shares of the Company are listed on the Designated Stock Exchange, each Member shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in the percentage level of his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (i) the particulars of the shares beneficially owned by him, or (ii) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (iii) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) business days after (aa) becoming a substantial shareholder, (bb) the date of change in the percentage level of his interests, or (cc) the date of cessation, as the case may be. For the purposes of this Article 167(2), the term "substantial shareholder" shall have the same meaning ascribed to it in Section 81(1) and 81(2) of the Singapore Companies Act, the term "interest" or "interests" shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act and the term "percentage level" shall have the meaning ascribed to it in Section 83(3) of the Singapore Companies Act. The requirement to give notice under this Article 167(2) shall not apply to the Depository.</p> <p>(3) For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Section 92 of the Singapore Companies Act, giving the Company power to require disclosure of beneficial interest in its shares, shall apply.</p>	<p>(2) For so long as the shares of the Company are listed on the Designated Stock ExchangeSingapore Exchange Securities Trading Limited, each Member shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in the percentage level of his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (i) the particulars of the shares beneficially owned by him, or (ii) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (iii) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) business days after (aa) becoming a substantial shareholder, (bb) the date of change in the percentage level of his interests, or (cc) the date of cessation, as the case may be. For the purposes of this Article 167(2), the term "substantial shareholder" shall have the same meaning ascribed to it in Section 81(1) and 81(2) of the Singapore Companies Act, the term "interest" or "interests" shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act and the term "percentage level" shall have the meaning ascribed to it in Section 83(3) of the Singapore Companies Act. The requirement to give notice under this Article 167(2) shall not apply to the Depository.</p> <p>(3) For so long as the shares of the Company are listed on the Designated Stock ExchangeSingapore Exchange Securities Trading Limited, the provisions of Section 92 of the Singapore Companies Act, giving the Company power to require disclosure of beneficial interest in its shares, shall apply.</p>	

CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

(Incorporated as a company limited by shares under the laws of the British Virgin Islands)
(Company Registration Number 1003373)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of China New Town Development Company Limited (the "**Company**") will be held at Pan Pacific Singapore, Ocean 11, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 3 September 2010 at 9.30 a.m. for the purpose of considering, and if thought fit, passing, with or without modifications:

ORDINARY RESOLUTION 1 — DUAL PRIMARY LISTING OF ALL ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "SHARES") IN ISSUE ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "SEHK") BY WAY OF INTRODUCTION (THE "INTRODUCTION")

That subject to and contingent upon the passing of Ordinary Resolution 2, Ordinary Resolution 4, Ordinary Resolution 6 and Special Resolution 1:

- (a) the dual primary listing of all Shares in issue on the SEHK by way of introduction and all matters relating thereto be approved and authorised; and
- (b) the Company and any director of the Company ("**Director**") be authorised to take all necessary steps, to do all such acts and things and sign all such documents and deeds (including approving any matters in relation to the Introduction) as they may consider necessary, desirable or expedient to give effect to or carrying into effect this Ordinary Resolution, provided where the Company seal is required to be affixed to the documents and deeds, such documents and deeds shall be signed and the Company seal shall be affixed in accordance with the Articles of Association of the Company (the "**Articles**").

ORDINARY RESOLUTION 2 — TERMINATION OF THE CNTD SHARE OPTION SCHEME (THE "SCHEME") AND THE CNTD PERFORMANCE SHARE PLAN (THE "PLAN")

That the termination of the Scheme and the Plan be and is hereby approved and shall take effect upon the approval of the shareholders of the Company (the "**Shareholders**").

ORDINARY RESOLUTION 3 — ADOPTION OF THE NEW 2010 CNTD SHARE OPTION SCHEME (THE "NEW SCHEME")

That subject to and contingent upon the passing of Ordinary Resolution 2, the New Scheme under which options ("**Share Options**") may be granted to Participants (as defined in the rules of the New Scheme (the "**Rules**")) to subscribe for ordinary shares in the capital of the Company ("**Shares**"), particulars of which are set out in the circular dated 12 August 2010 (the "**Circular**") issued by the Company to the Shareholders, be and is hereby approved and shall be adopted and take effect only upon satisfaction of, to the extent applicable, all the conditions to the New Scheme as set out in paragraph 3 of the Rules, and that the Directors be and are hereby authorised:

- (a) to establish and administer the New Scheme;
- (b) to modify and/or amend the New Scheme from time to time provided that such modification and/or amendment is effected in accordance with the Rules, and to do all such acts and to

enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Scheme; and

- (c) to offer and grant Share Options to selected Participants in accordance with the Rules and to allot, issue or deal with from time to time such number of Shares as may be required to be allotted, issued or dealt with pursuant to the exercise of Share Options under the New Scheme.

ORDINARY RESOLUTION 4 — REVOCATION OF THE SHARE PURCHASE MANDATE (AS DEFINED IN THE CIRCULAR)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 6 and Special Resolution 1, the revocation of the Share Purchase Mandate be and is hereby approved and shall take effect upon the listing of the Shares on the Main Board of the SEHK.

ORDINARY RESOLUTION 5 — GRANT OF THE NEW SHARE PURCHASE MANDATE (AS DEFINED BELOW)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 4, Ordinary Resolution 6 and Special Resolution 1:

- (a) pursuant to Article 3A of the New Articles (as defined below), the exercise by the Directors of all the powers of the Company to purchase, redeem or otherwise acquire Shares not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) on-market purchase(s) ("**Market Purchase**"), transacted on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") or the SEHK through the ready market, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (ii) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme, as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all conditions prescribed by the BVI Business Companies Act 2004 (as amended) (the "**BVI Act**");

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the BVI Act, the Listing Manual of the SGX-ST (the "**Listing Manual**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**") and the Hong Kong Code on Share Repurchases as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**New Share Purchase Mandate**");

- (b) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors pursuant to the New Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the listing of the Shares on the SEHK and expiring on:
 - (i) conclusion of the next annual general meeting of the Company);

- (ii) the date by which the next annual general meeting is required to be held;
- (iii) the date on which the purchases or acquisitions of Shares pursuant to the New Share Purchase Mandate have been carried out to the full extent mandated; or
- (iv) the date on which the authority conferred by the New Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest;

- (c) in this ordinary resolution:

“Maximum Limit” means that number of issued shares representing 10.0% of the total number of issued Shares immediately following the completion of the Introduction;

“Maximum Price”, in relation to a Share to be purchased, redeemed or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (a) in the case of a Market Purchase, 105.0% of the Average Closing Price (hereinafter defined); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Highest Last Dealt Price,

where:

“Average Closing Price” means the average of the closing market prices of a Share for the five consecutive Market Days (**“Market Day”** being a day on which the SGX-ST or the SEHK, as the case may be, is open for trading in securities) on which the Shares are transacted on the SGX-ST or the SEHK, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the Listing Manual or the HK Listing Rules, as the case may be, for any corporate action which occurs after the relevant five-Market Day period;

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the SGX-ST or the SEHK, as the case may be, on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase;

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

“Depositor”, **“Depository”** and **“Depository Agent”** shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act (Chapter 50 of Singapore) or any statutory modification thereof, as the case may be; and

“Shareholder” means a duly registered holder from time to time of the shares in the capital of the Company; and

- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this ordinary resolution.

ORDINARY RESOLUTION 6 — REVOCATION OF THE SHARE ISSUE MANDATE (AS DEFINED IN THE CIRCULAR)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 4 and Special Resolution 1, the revocation of the Share Issue Mandate be and is hereby approved and shall take effect upon the listing of the Shares on the SEHK.

ORDINARY RESOLUTION 7 — GRANT OF THE NEW SHARE ISSUE MANDATE (AS DEFINED IN THE CIRCULAR)

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 6, Ordinary Resolution 8 and Special Resolution 1:

- (a) subject to paragraph (c) below and to the HK Listing Rules and the Listing Manual, the exercise by the Directors during the Relevant Period (as hereinafter defined in this Ordinary Resolution) of all the powers of the Company to allot, issue and deal with any unissued Shares and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period (as hereinafter defined in this Ordinary Resolution) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the Shares to be issued either during or after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above shall not exceed 50.0% of the aggregate of the total number of Shares in issue (as adjusted in accordance with paragraph (d) below), of which the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued otherwise than on a pro rata basis to existing Shareholders (including pursuant to a Rights Issue (as hereinafter defined in this Ordinary Resolution)), shall not exceed 20.0% of the aggregate of the total number of Shares in issue immediately following completion of the Introduction, and the said approval shall be limited accordingly; and
- (d) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares allotted or agreed to be conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors on a pro rata basis (including a Rights Issue), the total number of Shares in issue shall be based on the total number of Shares in issue immediately following completion of the Introduction after adjusting for:
- (i) new Shares arising from the conversion or exercise of convertible securities subsisting immediately following completion of the Introduction;
- (ii) new Shares arising from exercising options or vesting of share awards outstanding or subsisting immediately following completion of the Introduction, provided the options or awards were granted in compliance with the rules of the Listing Manual; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares.

For the purpose of this Ordinary Resolution:

- (a) **“Relevant Period”** means the period from the date of listing of the Shares on the SEHK until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the New Articles or any other applicable laws of the British Virgin Islands to be held; and
 - (iii) the passing of an ordinary resolution by Shareholders in general meeting revoking, varying or renewing the authority given to the directors of the Company by this Ordinary Resolution; and
- (b) **“Rights Issue”** means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities), (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).

SPECIAL RESOLUTION 1 — ADOPTION OF NEW ARTICLES OF ASSOCIATION (THE “NEW ARTICLES”) BY THE COMPANY

That subject to and contingent upon the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 4 and Ordinary Resolution 6, the New Articles (a copy of which is available for inspection at the office of the Company’s Singapore Share Transfer Agent and is also marked “A” and signed by the chairman of the meeting and produced to the meeting for identification purpose), which contain all the proposed amendments as set out in Appendix 4 to the Circular, be and are hereby approved and shall be adopted and take effect as the new Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles upon shall take effect from the date that the New Articles are registered by the Registrar of Corporate Affairs in the BVI.

By Order of the Board

Low Siew Tian
Company Secretary
China New Town Development Company Limited
Dated: 12 August 2010

Notes:

1. A member of the Company (other than the Depository) entitled to attend and vote at the 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. Depositors whose names appear in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore) and who are unable to attend personally but wishes to appoint a nominee to attend and vote on his behalf, and such Depositors who are not individuals, should complete the enclosed Depositor Proxy Form and lodge the same at the office of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00 PWC Building, Singapore 048424 not less than 48 hours before the time appointed for the holding of the meeting.
3. If a Shareholder wishes to appoint a proxy or proxies, then the enclosed Shareholder Proxy Form must be completed and deposited at the office of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services, at 8 Cross Street, #11-00 PWC Building, Singapore 048424 not less than 48 hours before the time appointed for the holding of the meeting.
4. Where a member appoints more than one proxy or more than one appointee as the Depository's proxies, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy or appointee, as the case may be.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of 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 a duly authorised officer.