

CIRCULAR DATED 6 MARCH 2002

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold all your shares in the capital of Inno-Pacific Holdings Ltd (the "Company"), you should immediately send this Circular, the Notice of Extraordinary General Meeting and the Proxy Form to the purchaser or to the bank, stockbroker or agent through whom the sale was effected for onward transmission to the purchaser.

The purpose of the Capital Reduction is to cancel the part of the share capital of the Company which is no longer represented by available assets. Please refer to page 7 of this Circular for further details.

[Company Logo]

INNO-PACIFIC HOLDINGS LTD

(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) **THE PROPOSED CAPITAL REDUCTION EXERCISE TO REDUCE THE PAR VALUE OF EACH ORDINARY SHARE IN THE CAPITAL OF THE COMPANY FROM \$0.20 TO \$0.01 AND TO REDUCE THE SHARE PREMIUM ACCOUNT OF THE COMPANY FROM \$40,903,456.42 TO \$22,277,018.91; AND**
- (2) **THE PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION OF THE COMPANY.**

IMPORTANT DATES AND TIMES:-

Last date and time for lodgement of Proxy Form : 26 March 2002 at 9:00a.m.
Date and time of Extraordinary General Meeting : 28 March 2002 at 9:00a.m.
Place of Extraordinary General Meeting : 70 Shenton Way
#03-02 Marina House
Singapore 079118

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires:-

- “Books Closure Date”* : The date and time to be determined by the Directors on which the transfer books and the Register of Members of the Company will be closed for the purpose of determining the Shareholders’ entitlements to the \$0.01 Shares corresponding to and in place of the number of Shares held by them, pursuant to the Capital Reduction.
- “Capital Reduction”* : Proposed capital reduction exercise to be carried out by the Company pursuant to Section 73 of the Companies Act to reduce the par value of the Shares from \$0.20 to \$0.01 and to reduce the share premium account of the Company from \$40,903,456.42 to \$22,277,018.91.
- “CDP”* : The Central Depository (Pte) Limited.
- “Companies Act”* : The Companies Act, Chapter 50 of Singapore, as amended or re-enacted from time to time.
- “Company” or “IPH”* : Inno-Pacific Holdings Ltd.
- “Directors”* : The directors of the Company as at the date of this Circular.
- “Effective Date”* : The date on which the Capital Reduction becomes effective.
- “EGM”* : The extraordinary general meeting of the Company, notice of which is set out on page 71 of this Circular.
- “Existing Articles”* : The existing Articles of Association of the Company.
- “FY”* : Financial year ended or ending 31 December.
- “Group” or “IPH Group”* : The Company, its subsidiaries and associated companies.
- “High Court”* : The High Court of the Republic of Singapore.
- “Latest Practicable Date”* : 28 February 2002, being the latest practicable date prior to the printing of this Circular.
- “Market Day”* : A day on which the SGX-ST is open for trading in securities.
- “New Articles”* : The new Articles of Association proposed to be adopted at the EGM to be convened.
- “NTA”* : Net tangible assets.
- “Securities Account”* : A securities account maintained by a Depositor with CDP but does not include a securities sub-account.
- “SGX-ST”* : The Singapore Exchange Securities Trading Limited.
- “Shareholders”* : Persons who are registered as holders of the Shares except where the registered holder is CDP, the term “Shareholders” shall in relation to such Shares mean the Depositors who have Shares entered against their names in the Depository

Register.

- “Shares” : Ordinary shares in the capital of the Company.
- “\$0.01 Shares” : Ordinary shares of \$0.01 each in the capital of the Company after the Capital Reduction has been effected.
- “\$” and “cents” : Singapore dollars and cents, respectively.
- “%” : Per centum or percentage.

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

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

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

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

INNO-PACIFIC HOLDINGS LTD
(Incorporated in the Republic of Singapore)

Directors:-

Dato' Moehamad Izat Emir
Quek Chek Lan
Wong Chin Yong
Phang Ian Cher Shen
Lee Lee King
Lim Teck Hui
Ong Kah Hock
Phang Yul Cher Yeow

Registered Office:-

70 Shenton Way
#03-02 Marina House
Singapore 079118

6 March 2002

To : The Shareholders of
Inno-Pacific Holdings Ltd

Dear Sir/Madam

1. INTRODUCTION

The Directors of Inno-Pacific Holdings Ltd (the "Company") propose to seek the approval of the Shareholders at an extraordinary general meeting ("EGM") of the Company to be held on 28 March 2002 for the following proposals:-

- (1) the proposed capital reduction exercise to reduce the par value of each ordinary share in the capital of the company from \$0.20 to \$0.01 and to reduce the share premium account of the company from \$40,903,456.42 to \$22,277,018.91; and
- (2) the proposed adoption of new articles of association of the company

The purpose of this Circular is to explain the reasons for and to provide the Shareholders with information relating to the proposals to be tabled at the EGM.

2. THE CAPITAL REDUCTION

It is proposed that the Company undertakes the Capital Reduction pursuant to Section 73 of the Companies Act whereby the Company's resultant issued and paid-up share capital will be reduced from \$62,520,153.80 divided into 312,600,769 Shares of \$0.20 each to \$3,126,007.69 divided into 312,600,769 Shares of \$0.01 each and the Company's share premium account will be reduced from \$40,903,456.42 to \$22,277,018.91.

Pursuant to Section 69 of the Companies Act, subject to certain exceptions which are not applicable in this instance, the provisions in Section 73 of the Companies Act relating to a reduction of share capital of a company shall apply to a reduction of the share premium account of a company as if it were paid-up share capital of the company.

The SGX-ST has on 31 January 2002 given its in-principle approval for the listing and quotation of the \$0.01 Shares upon the Capital Reduction taking effect. **The SGX-ST's in-principle approval is not an indication of the merits of the Capital Reduction.**

The Capital Reduction will be effected, *inter alia*, as follows:-

- (a) reducing the nominal amount of all Shares, both issued and unissued, from \$0.20 to \$0.01 each;
- (b) in relation to (a) above, cancelling the paid-up share capital by an amount of \$0.19 on each of the 312,600,769 Shares which have been issued and are fully paid-up, or credited as fully paid-up;
- (c) cancelling an amount of \$18,626,437.51 standing to the credit in the share premium account of the Company; and
- (d) forthwith upon the Capital Reduction taking effect:-
 - (i) an amount equal to \$78,020,583.62, being the credit arising on the Capital Reduction taking effect will be applied in writing-off the accumulated losses of the Company as at 31 December 2000. The Capital Reduction would have the effect of reducing the authorised share capital of the Company from \$120,000,000.00 to \$6,000,000.00; and
 - (ii) the authorised share capital of the Company will be increased to its former capital of \$120,000,000.00 by the creation of an additional 11,400,000,000 Shares of \$0.01 each.

The overall effect of the Capital Reduction is to cancel an aggregate amount of \$59,394,146.11 of the issued and paid-up share capital of the Company and \$18,626,437.51 of the share premium account of the Company, the sum of which represents issued and paid-up share capital which has been permanently lost or is unrepresented by available assets as at 31 December 2000. The effect of the Capital Reduction on the shareholders' funds of the Company as at 31 December 2000 is as follows:-

	Before Capital Reduction \$'000	After Capital Reduction \$'000
Share Capital	62,520	3,126
Share Premium Account	40,903	22,277
Accumulated Losses	(78,020)	-
Shareholders' Equity	25,403	25,403

As at the Latest Practicable Date, the Company has an authorised share capital of \$120,000,000.00 divided into 600,000,000 Shares and an issued and paid-up share capital of \$62,520,153.80 divided into 312,600,769 Shares and a sum of \$40,903,456.42 standing to the credit of the share premium account which has arisen as a result of various issues of Shares by the Company. Pursuant to the implementation of the Capital Reduction, the Company will have an authorised share capital of \$120,000,000 divided into 12 billion \$0.01 Shares and an issued and paid-up share capital of \$3,126,007.69 divided into 312,600,769 \$0.01 Shares and a sum of \$22,277,018.91 standing to the credit of the share premium account.

There will be no change in the number of Shares held by Shareholders immediately after the Capital Reduction nor will the Capital Reduction entail the distribution of any assets to Shareholders. The Capital Reduction will also not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company or the payment of any sum standing to the credit of the share premium account of the Company.

3. RATIONALE FOR THE CAPITAL REDUCTION

For FY2000, the Company incurred a loss of approximately \$19.9 million, out of which approximately \$18.9 million resulted from write-down in the carrying value of investments in and amounts due from the subsidiaries and associated companies of the Company and the balance of approximately \$1.0 million was attributable to operating losses for that year. The accumulated losses of the Company based on the audited accounts as at 31 December 2000 amounted to approximately \$78.0 million. The capital reduction exercise involves cancellation of a substantial part of the share capital of the Company which is no longer represented by available assets. This is an accounting procedure which simplifies the Balance Sheet and results in the reduced nominal value of the shares being more reflective of the financial position of the Company.

There were several changes on the Board of Directors after the end of FY2000. The newly constituted Board of Directors is committed to carrying out a reconstruction scheme for the Group and have been exploring various ways in which the Company can raise funds and undertake acquisitions of new businesses that would help re-capitalise and strengthen the Company's balance sheet. They have been hampered in this process by the fact that the Shares have mostly been traded below their par value of \$0.20 from 19 September 2000 to 20 February 2002, being the Latest Practicable Date. The lowest price at which the Shares traded during that period was \$0.105 on 21 to 23 March 2001, 2 April 2001, 4 April 2001 and 9 April 2001. In view of the fact that new Shares cannot be issued at a discount to par value under the Articles of Association of the Company and the Companies Act without the approval of the court, it is proposed that the par value of the Shares be reduced from \$0.20 to \$0.01 each. This will give the Company the necessary flexibility to undertake rights issues, future equity or equity-related fund raising and/or undertake acquisitions or restructuring exercises with corresponding issues of shares to recapitalise and strengthen the balance sheet of the Company.

It is accordingly, in the opinion of the Directors, in the interests of the Company that the Capital Reduction be effected upon the terms set out herein as soon as practicable so that the Company may take advantage of opportunities when they arise.

4. FINANCIAL EFFECTS OF THE CAPITAL REDUCTION

Based on the audited financial statements of the Company for FY2000, the financial effects of the Capital Reduction will be as follows:-

(a) Share Capital

	----- As at 31 December 2000 -----		
	Par Value	No. of Shares	\$
Authorised Share Capital			
Before the Capital Reduction	\$0.20	600,000,000	120,000,000
After the Capital Reduction	\$0.01	12,000,000,000	120,000,000
Issued Share Capital			
Before the Capital Reduction	\$0.20	312,600,769	62,520,153.80
After the Capital Reduction	\$0.01	312,600,769	3,126,007.69

(b) Consolidated NTA

	----- As at 31 December 2000 -----			
	Company		Group	
	Before Capital Reduction	After Capital Reduction	Before Capital Reduction	After Capital Reduction
NTA (\$'000)	25,403	25,403	25,075	25,075
Number of issued and paid-up Shares ('000)	312,601	312,601	312,601	312,601
NTA per Share (cents)	8.13	8.13	8.02	8.02

(c) Consolidated Earnings

	----- Year ended 31 December 2000 -----			
	Company		Group	
	Before Capital Reduction	After Capital Reduction	Before Capital Reduction	After Capital Reduction
Loss attributable to Shareholders (\$'000)	19,894	19,894	13,545	13,545
Number of issued and paid-up Shares ('000)	312,601	312,601	312,601	312,601
Loss per Share (cents)	6.36	6.36	4.33	4.33

(d) Consolidated Gearing

	----- As at 31 December 2000 -----			
	Company		Group	
	Before Capital Reduction	After Capital Reduction	Before Capital Reduction	After Capital Reduction
Total Borrowings (\$'000)	619	619	621	621
Shareholders' funds (\$'000)	25,403	25,403	25,875	25,875
Gearing (times)	0.02	0.02	0.02	0.02

The implementation of the Capital Reduction will not have any effect on the earnings, NTA and gearing of the Group, as the Capital Reduction is an accounting procedure that cancels the portion of the value of the issued and paid-up share capital which is permanently lost or unrepresented by available assets. No capital will be returned to Shareholders.

5. CONDITIONS FOR THE CAPITAL REDUCTION

The SGX-ST has on 31 January 2002 given its in-principle approval for the listing and quotation of the \$0.01 Shares upon the Capital Reduction taking effect. **The SGX-ST's in-principle approval is not an indication of the merits of the Capital Reduction.** The implementation of the Capital Reduction is subject to, *inter alia*, the following:-

- (a) the approval of Shareholders by special resolution at the EGM; and

- (b) the confirmation of the High Court for the Capital Reduction. A copy of the order of the High Court confirming the Capital Reduction will subsequently be lodged with the Registrar of Companies and Businesses in Singapore.

6. SHAREHOLDERS' ENTITLEMENT TO THE \$0.01 SHARES

Upon the Capital Reduction being approved by the requisite majority of the Shareholders as a special resolution at the EGM as mentioned above, application will be made to the High Court by the Company for its confirmation of the Capital Reduction.

After the Capital Reduction is sanctioned by the High Court, an announcement will be published in a daily English language newspaper of general circulation in Singapore (the "**Announcement**") and via MASNET to notify Shareholders of the Effective Date.

(a) Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates for the Shares in their own names (the "**Old Share Certificates**") and who wish to deposit the same with CDP and have their \$0.01 Shares credited to their Securities Accounts must deposit their Old Share Certificates, together with the duly executed instruments of transfer in favour of CDP, no later than five (5) Market Days prior to the Effective Date. After the Effective Date, CDP will only accept for deposit share certificates for ordinary shares in the Company which reflect a par value of \$0.01 each (the "**New Share Certificates**"). Shareholders who wish to deposit their share certificates with CDP after the Effective Date must first deliver their Old Share Certificates to Compact Administrative Services Pte Ltd (the "**Share Registrar**") at #09-00 Pidemco Centre, 95 South Bridge Road, Singapore 058717, in exchange for New Share Certificates. The New Share Certificates will then be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within fifteen (15) Market Days from the date of the receipt of the Old Share Certificates.

(b) Issue of New Share Certificates

Depositors having Shares standing to the credit of their Securities Account and Shareholders who have deposited their Old Share Certificates with CDP at least five (5) Market Days prior to the Effective Date need not take any action. The Company will arrange with CDP to facilitate the exchange of New Share Certificates pursuant to the Capital Reduction. Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar at #09-00 Pidemco Centre, 95 South Bridge Road, Singapore 058717, as soon as possible after they have been notified of the relevant date in the Announcement and preferably, not later than five (5) Market Days after the Effective Date for cancellation and exchange for New Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within fifteen (15) Market Days from the Effective Date or the date of receipt of the Old Share Certificates, whichever is the later.

Shareholders who hold physical share certificates are reminded that their Old Share Certificates are no longer good for settlement of trading in the Company's Shares on the SGX-ST (as the Company is under a book-entry (scripless) settlement system) but will continue to be accepted for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Share Registrar. The New Share Certificates will not be valid for delivery pursuant to trades done on the SGX-ST although they will continue to be *prima facie* evidence of legal title.

Shareholders are to deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out in this section only after the Announcement is made.

No receipt will be issued by the Share Registrar for the receipt of the physical Old Share Certificates tendered.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have been tendered to the Share Registrar for cancellation.

Please notify the Share Registrar if you have lost any of your existing Old Share Certificates or if there is a change in your address from that reflected in the Register of Members.

The Share Register of the \$0.01 Shares will be maintained at the office of the Share Registrar at #09-00 Pidemco Centre, 95 South Bridge Road, Singapore 058717.

7. CLOSURE OF BOOKS

After the approval of the Shareholders for the Capital Reduction at the EGM and the confirmation of the Capital Reduction by the High Court have been obtained, notice shall be given as to the Books Closure Date.

8. THE PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION

The Company has recently completed an overall review of its Existing Articles which was adopted by the Company in 1973 and last amended in June 1992. Since the last amendments, there had been several amendments to both the Companies Act as well as the Listing Manual. The Company is therefore proposing various alterations to its Existing Articles as follows:-

(a) Amendments to the Companies Act

The Companies Act was amended by the Companies (Amendment) Act 1993 to accommodate the central depository system. A principal change introduced by the amendments was the recognition of direct securities account holders and depository agents and not the CDP as members of a listed company in respect of the number of shares credited to their respective securities accounts maintained with the CDP. The Existing Articles contains provisions which refer to the CDP as a member of the Company. It is therefore proposed that the Existing Articles be amended accordingly (Please refer to the definition of "Member" in Article 1 of the New Articles as set out on page 39, of this Circular).

The Companies Act was next amended by the Companies (Amendment) Act 1998 to allow Singapore incorporated companies to purchase or otherwise acquire its issued ordinary shares, subject to applicable provisions of the Companies Act. Subsequently, by way of the Companies (Amendment) Act 2000, the provisions in the Companies Act allowing share buy-back by Singapore incorporated companies were widened to allow such companies to buy back not only its ordinary shares but also stocks and preference shares. It is a requirement of the Companies Act that, for the Company to effect share buy-backs, the Articles of Association of the Company must expressly permit the Company to purchase or otherwise acquire the shares issued by it. The Existing Articles do not provide for the Company to purchase its own shares. Accordingly, it is proposed that the Existing Articles be amended to provide the Company with the express power to purchase or acquire its own shares in accordance with the Companies Act. This will facilitate the Company in acquiring a

mandate from its shareholders should such purchase or acquisition arise in the future (Please refer to Article 10 of the New Articles as set out on page 43 of this Circular). Notwithstanding the proposed amendment, the Company is not seeking a general mandate for share repurchase at this point in time.

The Companies Act requires directors of every company to lay before the company once in every calendar year at its annual general meeting, a profit and loss account for the period since the preceding accounts. The Companies (Amendment) Act 2000 also amended the Companies Act to require that such accounts should, in the case of a public company listed on the SGX, be made up to a date not more than 5 months, as opposed to 6 months, before the date of the annual general meeting. The Existing Articles provide that the accounts to be laid before the Company at its Annual General Meeting be made up to a date not more than 6 months before the date of the meeting. It is therefore proposed the Existing Articles be amended accordingly (Please refer to Article 143 of the New Articles as set out on page 68 of this Circular).

(b) Changes to the Listing Manual

In April 1999, the Listing Manual was amended as follows:-

- (i) to increase of the limit placed on the mandate given to the directors of a listed company to issue shares from 10% to 50% of the issued share capital of the listed company, with an aggregate sub-limit of 20% of the issued share capital of the listed company for any issue of shares which are not made on a pro-rata basis to the shareholders; and
- (ii) to remove certain restrictions on directors' participation in share option schemes of listed companies. In particular, the requirement that the articles of association of a listed company should contain a provision that no director of a company shall participate in an issue of shares to employees unless shareholders in general meeting have approved the specific allotment to be made to such director and unless he holds office in an executive capacity.

The Existing Articles do not set a limit on the general mandate to issue shares and the directors of the Company have in the past, sought general mandates from the Company to issue shares subject to the limits imposed by the Listing Manual. It is proposed that the Existing Articles be amended to allow the Directors to obtain a general mandate from the Company to issue shares subject to the condition that the aggregate number of shares to be issued pursuant to such authority does not exceed 50% of the issued share capital of the Company, of which the aggregate number of shares to be issued other than on a pro-rata basis to Shareholders does not exceed 20% of the issued share capital of the Company. Any such general authority obtained will be valid until the next Annual General Meeting of the Company unless prior thereto, share issues are carried out to the full extent mandated or the general authority is revoked or varied by the Company in general meeting (Please refer to Article 53(2)(b) of the New Articles as set out on page 51 of this Circular).

The Existing Articles provides that no Director shall participate in an issue of shares to employees unless such Director shall hold office in an executive capacity and unless the specific allotment of shares to be made to such Director has been approved by the Shareholders in general meeting. As it is no longer a requirement of the Listing Manual for the articles to contain such restrictions, it is proposed that the Existing Articles be amended to remove such restrictions. With the removal of such restrictions from the Articles of Association of the Company, the eligibility of Directors (whether executive or non-executive) to participate in a share option or share incentive scheme of the Company in the future would be governed by the prevailing rules in the Listing Manual applicable to share options or share incentive schemes of listed companies, the terms of the relevant schemes and any applicable laws, rather

than by the Articles of Association of the Company. Such amendment would result in time and costs savings for the Company as the Directors would not need to revert to Shareholders by reason only of the Articles, to seek specific approval on each occasion for participation by one or more of its Directors in such a scheme. This would also enable to eligible Directors to participate in such scheme on the same footing as other eligible participants.

Further, the Company appreciates that non-executive directors, although not involved in the day-to-day management of the Company, also give valuable contribution to the company as they bring their experience, knowledge and expertise to the Company. As such, allowing non-executive directors to participate in future share option schemes will enable the Company to attract and retain individuals with the necessary calibre and capabilities to join its board of directors and to enhance the Company's growth.

The Company is also altering other provisions of its Existing Articles for streamlining and updating purposes. In lieu of making consequential alterations throughout the Existing Articles, the Company is proposing to adopt the New Articles in place of the Existing Articles.

The text of certain articles of the Existing Articles which will be substantially altered by the New Articles and the text of the New Articles which will substantially alter the Existing Articles are set out in Appendix III.

9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Details of the Directors' and substantial Shareholders' interests in the Shares as at the Latest Practicable Date are set out in Appendix I of this Circular.

10. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is set out on page 71 of this Circular, will be held at 70 Shenton Way #03-02 Marina House Singapore 079118 on 28 March 2002 at 9:00a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the special resolutions set out in the Notice of EGM.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by the CDP as at 48 hours before the EGM.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the registered office of the Company at 70 Shenton Way, #03-02 Marina House, Singapore 079118 not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he subsequently wishes to do so.

12. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the Capital Reduction and the adoption of the New Articles are in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Capital Reduction and the adoption of the New Articles.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have delegated detailed supervision of this Circular) collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects and there are no material facts the omission of which would make any statement in this Circular misleading in any material respect.

14. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this Circular.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 70 Shenton Way #03-02 Marina House, Singapore 079118 during normal business hours from the date of this Circular up to and including the date of the EGM:-

- (a) the Memorandum of Association of the Company and the Existing Articles;
- (b) the audited accounts of the Company and its subsidiaries for the two financial years ended 31 December 1999 and 2000; and
- (c) the letters referred to in paragraphs 4 and 5 of Appendix I.
- (d) the New Articles
- (e) the material contracts referred to in Appendix I.

Yours faithfully
For and on behalf of
INNO-PACIFIC HOLDINGS LTD

Dato' Moehamad Izat Emir
Executive Chairman

GENERAL INFORMATION

1. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

(a) Directors' Interests

The Directors' interests in the Shares as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act are as follows:-

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Dato' Moehamad Izat Emir	-	-	-	-
Quek Chek Lan ⁽¹⁾	600,000	0.19	3,800,000	1.22
Wong Chin Yong	-	-	-	-
Lee Lee King	-	-	-	-
Phang Ian Cher Shen	-	-	-	-
Lim Teck Hui	-	-	-	-
Ong Kah Hock	1,000	-	-	-
Phang Yul Cher Yeow	-	-	-	-

Note:-

(1) Mr Quek's 3,800,000 Shares are held through a depository agent, Kim Eng Securities Pte Ltd.

(a) Substantial Shareholders' Interests

The substantial Shareholders of the Company and their interests as at the Latest Practicable Date, as recorded in the Register of Substantial Shareholders of the Company kept by the Company under Section 88 of the Companies Act are as follows:-

Name of Substantial Shareholder	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Bintang Pyramid (M) Sdn Bhd*	43,379,000	13.88	-	-
Lt Jen (K) Tan Sri Mohamed bin Ngah Said*	-	-	43,379,000	13.88
Dato' Soh Chee Wen*	-	-	43,379,000	13.88

* Based on the notifications given to the Company on 10 November 1994 and 10 April 1995 (collectively referred to as "the Bintang Notifications"), 43,379,000 shares were being held by various nominees in trust for Bintang Pyramid (M) Sdn Bhd ("Bintang"), a Malaysian corporation. According to the CDP register, as at 31 December 2001, the said nominees stated in the Bintang Notifications no longer appear as Depositors. However, Bintang has not notified the Company of any changes in its shareholdings since the Bintang Notifications. The Company has written to Bintang to obtain confirmation of its interest in shares of the Company and in relation to Bintang's obligations to notify the Company of any change of its interest as a substantial shareholder but as of the date of printing this Circular, the Company had not received any response from Bintang. Therefore, the Company is unable to ascertain whether Bintang continues to be a substantial shareholder of the Company. Dato' Soh Chee Wen's and Lt Jen (K) Tan Sri

Mohamed bin Ngah Said's deemed interests in 43,379,000 shares were by virtue of their being substantial shareholders of Bintang (based on notifications dated 28 October 1994). A companies' information search on Bintang conducted on 21 December 2001 showed that based on information extracted from Bintang's documents lodged up to 29 September 1999, Dato' Soh Chee Wen and Lt Jen (K) Tan Sri Mohamed bin Ngah Said were still substantial shareholders of Bintang.

2. MATERIAL CONTRACTS

Save as disclosed below, the Directors are not aware of any material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or its subsidiaries within the two years preceding the Latest Practicable Date:-

1. A Sale and Purchase Agreement entered into on 3 March 2000 between the Company and Tan Gee Beng Private Limited, Tan Sou Hiun and Carl Leng Forsell ("DSJ Vendors") for the acquisition of all the issued shares of \$1.00 each in the capital of DSJ Pte Ltd, a Singapore incorporated company that owned an office cum shopping complex in Wellington, New Zealand for a total consideration of \$21.75 million which was to be satisfied by the issue of 87,000,000 new Shares.
2. A Sale and Purchase Agreement entered into on 3 March 2000 by the Company with Sugianto Kusuma and Lim Lee Phing pursuant to which the Company agreed to acquire all the issued shares in the capital of Rebecca Pte Ltd for a consideration of approximately \$4.27 million which was to have been satisfied by the issue of approximately 17 million Shares in the Company.
3. A Sale and Purchase Agreement entered into on 3 March 2000 by the Company with Sugianto Kusuma and Lim Lee Phing pursuant to which the Company agreed to acquire all the issued shares in the capital of Kapok Permai Pte Ltd for a consideration of approximately \$3.8 million which was to have been satisfied by the issue of approximately 15 million Shares in the Company.
4. A Share Subscription Agreement entered into on 6 March 2000 between the Company, IMTV Private Limited ("IMTV") and the existing shareholders of IMTV pursuant to which the Company agreed to subscribe for 20% of the issued shares in the capital of IMTV, an internet e-commerce startup company, for \$125,000.
5. A Shareholders Agreement dated 6 March 2000 between the Company, IMTV and the existing shareholders of IMTV relating to their shareholdings in IMTV.
6. A Memorandum of Understanding entered into on 22 August 2000 between the Company's wholly-owned subsidiary, Inno-Pacific Technologies Pte Ltd and Tecnet Inc. in respect of the formation and management of "IP Tec Telecom Pte Ltd" to provide goods and services to the info-communication industry in Singapore as well as other countries.
7. A Memorandum of Understanding entered into on 29 August 2000 between the Company and Russian Communications Network Ltd ("Ruscomnet") in respect of a proposed strategic partnership for the development of global telecommunications businesses in Russia, CIS, China, USA, Malaysia and Singapore.
8. A Co-operation Agreement dated 23 September 2000 between IPH Telecom Pte Ltd, a subsidiary of the Company and Ruscomnet to provide goods and services to the telecommunications industry in the Asia Pacific region as well as on a global basis (the "Business"). An Addendum to the Co-operation Agreement was entered into on

21 March 2001 to operate the said Business as one entity under the terms and conditions set out therein.

9. A Sale and Purchase cum Shareholders' Agreement entered into on 21 September 2000 by Virtual Avenue Sdn Bhd (now known as IPH Technology Sdn Bhd ("IPHT")), an indirect subsidiary of the Company with Premier Dotcom Sdn Bhd and Datuk Megat Fairouz Junaidi as varied by a Supplemental Agreement of the same date pursuant to which IPHT agreed to acquire an aggregate of 509,999 ordinary shares of \$1.00 each, representing approximately 51% of the issued and paid-up share capital of Virtual Data Materials Sdn Bhd, an incorporated joint venture vehicle for the development of an information technology business, *inter alia*, providing call center services and systems integration and such other services, for a total consideration of RM2.2 million.
10. A Memorandum of Understanding was entered into on 13 June 2001 between IPH Telecom Pte Ltd, a subsidiary of the Company with China Unicom Corporation Limited, in relation to the proposed co-operation for the international voice and data traffic exchange services between Asia Pacific, Europe and the USA.
11. A Sale and Purchase Agreement was entered into on 18 June 2001 by the Company with Oneworld Investments Pte Ltd and Healthcare Group Inc. for the acquisition of 320,000 shares of \$1.00 each in the capital of Health One Pte Ltd ("H1"), representing 20% of the total issued and paid-up share capital of H1.
12. A Sale and Purchase Agreement dated 18 July 2001 between the Company and Messrs Lim Sin Khong and Lim Keng Peng @ Lim Kian Peng (collectively the "Vendors") pursuant to which the Company will acquire from the Vendors an additional 16.7% of the issued and paid up common units of US\$1.00 each in Sawyer Falls Co LLC, a Washington limited liability company which owns a property known as Fennel Creek located in Pierce County, Washington, USA, comprising land area of approximately 450 acres, for a total consideration of US\$1.2 million (approximately \$2.1 million).
13. A Sale & Purchase Agreement dated 7 September 2001 between the Company and Newton Centre Development Ltd (the "Vendor") pursuant to which the Company acquired the entire interest of the Vendor, representing 33.3% of the issued and paid up common units of US\$1.00 each in Sawyer Falls Co LLC ("SFC"), for a purchase consideration of US\$1.75 million (approximately \$3.06 million). SFC is now a wholly-owned subsidiary of the Company.
14. Sale and Purchase Agreement dated 24 January 2002 between Shakey's Holdings Pte Ltd ("Shakey's"), a subsidiary of the Company and Lighten Point Investment Pte Ltd (the "Purchaser") pursuant to which Shakey has agreed to sell and the Purchaser has agreed to purchase all of the entire issued share capital of Shakey's wholly owned subsidiary, Shakey's International Limited for a cash consideration of \$1,250,000.
15. A Termination Agreement dated 25 February 2002 between the Company and Newton Centre Development Ltd pursuant to which the parties agreed to terminate the Sale and Purchase Agreement dated 7 September 2001 referred to in paragraph 13 above.

3. MATERIAL LITIGATION

Save as disclosed below, neither the Company nor any of its subsidiaries is engaged in any litigation either as a plaintiff or defendant which might materially and adversely affect the financial position of the Company and the Group, taken as a whole. The Directors are not aware of any litigation, claims and proceedings pending or threatened against the

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

- (1) In 1996, a former employee of the Company, Koh Kay Yew (“Koh”) commenced an action in the State of California, against the Company for alleged breach of his contract of employment. In this action, Koh claimed that he was entitled to compensation in the amount of \$240,000, provided under his contract of employment with the Company.

The action was heard in California in March 1998. At the end of the hearing, the Court held that Koh was entitled to the sum claimed. The Company appealed against the decision. However, the Court of Appeal affirmed the lower court’s decision.

The Company provided \$500,000 (inclusive of interest costs and legal fees) in FY1997 in respect of this litigation.

Koh enforced his judgement obtained against the Company in August 2000 and sought to execute the judgement against the Company’s assets in SFC by a charging order. M/s Davis Wright Tremaine represented the Company in this matter and challenged the charging order. The charging order was dismissed in December 2000.

Koh appealed against the dismissal. The matter is still ongoing.

- (2) LSG Hotels Pte Ltd (“LSG”), a franchisee of Shakey’s International Limited (“SIL”), an indirect subsidiary of the Company, has alleged that SIL had caused LSG to incur losses by, *inter alia*, not disclosing the fact that SIL was involved in litigation over the right of SIL to use the “Shakey’s” trademark in India prior to the execution of the franchise agreement on 1 December 1998 between SIL and LSG. SIL has disputed LSG’s allegations. Although LSG has instructed solicitors, to date, no litigation or arbitration proceedings have been commenced against SIL.
- (3) In March 2001, Shakey’s Incorporated (“Shakey’s Inc.”), an indirect subsidiary of the Company incorporated in Delaware, USA, was served with two separate claims from two of Shakey’s franchisees, namely Sterling Foods, Inc., and Mr John J McNulty Jr (collectively the “Plaintiffs”) in the United States of America claiming breach of the franchise agreements entered into with each of the Plaintiffs. These two claims are still on going.
- (4) Shakey’s Inc. has initiated arbitration proceedings against Lombard Investments LLC (“Lombard”), for breach of contract, breach of fiduciary duties, gross negligence and wilful misconduct under an Consultancy Agreement between Shakey’s Inc. and Lombard pursuant to which Shakey’s Inc appointed Lombard as its business consultants. Lombard filed a counter-claim against Shakey’s Inc. for an unspecified amount “in excess of \$20,000” allegedly due under the parties’ Consultancy Agreement. This matter is on going.
- (5) In late December 2000, the Comptroller of Income Tax (“CIT”) has assessed the Company to be liable for income tax for the years of assessment 1988 to 1997 amounting to \$4,406,484 (being \$4,331,324 additional tax and penalty of \$75,160). The liability for tax for those years of assessment arose from CIT assessing the Company on the basis that it was a passive investment holdings company, as a result of which deduction of certain expenses incurred by the Company in the ordinary course of business were disallowed. The Company has raised an objection against CIT’s assessments. Based on professional advice received, the Directors are of the opinion that these assessments can be successfully resisted and accordingly,

no provision has been made in the financial statements of the Company in respect of these assessments.

- (6) On 27 August 2001, Spicers Paper Limited (“Spicers”) commenced an action against the Company for damages claiming breach of warranty under a sale and purchase agreement dated 17 April 1996 between Spicers, the Company and Inno Pacific Property Holdings Pte Ltd (“IPPH”), a wholly-owned subsidiary of the Company, in relation to the sale of shares by IPPH to Spicers in Intercontinental Forest Products Pte Ltd. The matter is on going.

Save as disclosed herein, the Directors have no knowledge of any proceedings, pending or threatened, against the Company and its subsidiaries or any fact likely to give rise to any proceedings which might materially affect the position or business of the Company and its subsidiaries.

4. AUDITORS’ STATEMENT

The auditors of the Company, Ernst & Young, have confirmed that based on the audited financial statements of the Company as at 31 December 2000, the Company’s accumulated losses were \$78,020,583.62. These losses, subject to the provisions of Section 73(1) of the Companies Act, are available to the Company for its proposed cancellation of the share capital and share premium account as set out on pages 4 and 5 of this Circular. The auditors have also confirmed that the Company has sufficient balance, as at 31 December 2000, in its share premium account for the Capital Reduction.

5. CONSENT

Ernst & Young has given and has not withdrawn its written consent for the issue of this Circular with the inclusion herein of its name and all references to its name in the form and context in which it appears in this Circular.

**AUDITED BALANCE SHEET OF THE COMPANY
AND PROFORMA BALANCE SHEET OF THE COMPANY
AFTER THE CAPITAL REDUCTION AS AT 31 DECEMBER 2000**

	----- Company -----		----- Group -----	
	Before Capital Reduction \$'000	After Capital Reduction \$'000	Before Capital Reduction \$'000	After Capital Reduction \$'000
Fixed assets	922	922	3,211	3,211
Investment in subsidiary companies	13,488	13,488	-	-
Investment in associated companies	8,747	8,747	7,916	7,916
Trademark	-	-	2,254	2,254
Other non-current assets	16	16	1,229	1,229
	<u>23,173</u>	<u>23,173</u>	<u>14,610</u>	<u>14,610</u>
Current assets	4,133	4,133	17,953	17,953
Total assets	27,306	27,306	32,563	32,563
Current liabilities	(1,441)	(1,441)	(5,656)	(5,656)
Long-term liabilities	(462)	(462)	(830)	(830)
	<u>25,403</u>	<u>25,403</u>	<u>26,077</u>	<u>26,077</u>
Financed by:				
Shareholders equity				
Share capital	62,520	3,126	62,520	3,126
Share premium	40,903	22,277	40,903	22,277
Accumulated losses	(78,020)	-	(79,387)	(1,367)
Foreign currency translation	-	-	1,839	1,839
Shareholders equity	<u>25,403</u>	<u>25,403</u>	<u>25,875</u>	<u>25,875</u>
Minority interests	-	-	202	202
	<u>25,403</u>	<u>25,403</u>	<u>26,077</u>	<u>26,077</u>

**TEXT OF THE EXISTING ARTICLES WHICH WILL BE SUBSTANTIALLY
ALTERED AND TEXT OF THE RELEVANT NEW ARTICLES**

Part A

The Articles of the Existing Articles which will, subject to the approval of the Shareholders to the adoption of the New Articles at the EGM, be substantially altered by the Articles of the New Articles are reproduced below.

Article 2

INTERPRETATION CLAUSE. In these Articles the words standing in the first column of the Table next here-inafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context.

Words	Meanings
The Act	The Companies Act (Cap. 50) or any statutory modification or re-enactment thereof for the time being in force.
These Articles	These Articles of Association as originally framed or as altered from time to time by Special Resolution.
The Office	The registered office for the time being of the Company.
The Seal	The Common Seal of the Company.
The Directors	The Directors for the time being of the Company.
The Secretary	Any person appointed to perform the duties of the Secretary of the Company including any person appointed temporarily.
CDP	Means the Central Depository (Pte) Limited and, where the context requires, shall include any person specified by it, in a notice given to the Company, as its nominee.
Depositor	Means any person being a Depository Agent or a holder of a Securities Account maintained with CDP.
Depository Agent	Means an entity registered as a Depository Agent with CDP for the purpose of maintaining securities sub-accounts for its own account and for the account of others.
Securities Account	Means the securities account or sub-account maintained by a Depositor with CDP.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

Subject as aforesaid, any words or expressions defined in the Act, shall, unless the context otherwise requires, bear the same meanings in these Articles.

Article 3

ISSUE OF SHARES. The shares taken by the subscribers to the Memorandum of Association shall be issued by the Directors. Subject as aforesaid, the shares shall be under the control of the Directors, who may allot and issue the same to such persons on such terms and conditions and at such times as the Directors think fit but so that no shares shall be issued at a discount except in accordance with Section 59 of the Act.

Article 4

RESTRICTION ON ISSUE OF SHARE TO TRANSFER A CONTROLLING INTEREST. No share shall be issued to transfer a controlling interest in the Company without the prior approval of the shareholders in a General Meeting.

Article 5

SPECIAL RIGHTS. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine. Provided that the total nominal value of issued preference shares shall not at any time exceed the total nominal value of issued ordinary shares of the Company.

Article 6

REDEEMABLE PREFERENCE SHARE. Subject to Section 70 of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. The Company shall also have the power to issue further preference shares ranking equally with or in priority to any preference shares already issued.

Article 7

RIGHTS OF PREFERENCE SHAREHOLDERS. Holders of preference shares shall have the same rights as ordinary shareholders as regards receiving notices, reports and Balance Sheets, and attending general meetings of the Company. They shall have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividends on the preference shares is in arrears more than six months.

Article 8

MODIFICATION OF RIGHTS OF PREFERENCE SHAREHOLDERS. The repayment of preference capital other than redeemable preference, or any other alteration of preference shareholders rights, may only be made pursuant to a special resolution of the preference shareholders concerned, PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths of the preference shares concerned within two months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Article 9

RIGHTS NOT VARIED BY ISSUE OF ADDITIONAL SHARES. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless

otherwise expressly provided by the terms of the issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Article 10

COMMISSION ON SUBSCRIPTION. The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company: Provided that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage, and that the requirements of Section 67 of the Act shall be observed. Subject to the provisions of Section 63 of the Act, such commission may be satisfied by the payment of cash or the allotment of fully paid shares or partly in one way and partly in the other.

Article 11

NO TRUSTS RECOGNISED. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent future or partial interest in any share or any other rights in respect of any share other than an absolute right to the entirety thereof in the registered holder, except only as by these Articles otherwise provided for or as required by the Act or pursuant to any order of Court.

Article 12

OFFER OF NEW SHARES TO EXISTING MEMBERS. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares of whatever kind shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined and, after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this regulation.

Article 13

SHARE CERTIFICATES. Every person whose name is entered as a member in the register of members shall be entitled without payment to receive within one month after allotment or lodgement of any transfer one certificate under the seal of the Company in respect of each class of shares held by him for all his shares in that class or several certificates each for one or more of his shares in any one class upon payment of \$2.00 (or such lesser sum as the Directors shall from time to time determine) for every certificate after the first. Stamp duty payable on such certificate shall be borne by such member unless otherwise directed by the Directors. Provided that in the case of joint holders the Company shall not be bound to issue more than one certificate and delivery of such certificate to any one of them shall be sufficient delivery to all. Provided further that the Company shall not be bound to register more than three persons as the holder of any share except in the case of executors or administrators of the estate of a deceased member.

Article 14

RENEWAL OF CERTIFICATES. If a share certificate be worn out, defaced, destroyed, lost or stolen, it may be renewed on payment of such fee not exceeding one dollar (\$1.00) or in the event of the Company being listed in the Stock Exchange of Singapore such other sum as

may from time to time be prescribed by the Stock Exchange of Singapore and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating evidence including the payment of stamp duty on such certificate, as the Directors think fit and, in the case of defacement or wearing out, on delivery up of the old certificate.

Article 15

COMPANY TO HAVE LIEN ON SHARES AND DIVIDENDS. The Company shall have a lien on every share not being a fully-paid share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all shares other than fully-paid shares standing registered in the name of a single person for all monies presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien if any, on a share shall extend to all dividends payable thereon.

Article 16

LIEN MAY BE ENFORCED BY SALE OF SHARES. The Directors may sell any shares subject to such lien at such time or times and in such manner as they think fit, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or a liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof, and giving notice of intention to sell in default, shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for seven days after such notice.

Article 17

DIRECTORS MAY AUTHORISE TRANSFER AND ENTER PURCHASER'S NAME IN REGISTER. To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the register of members as holders of the 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 in reference to the sale.

Article 18

APPLICATION OF PROCEEDS OF SALE. The net proceeds of sale whether of a share forfeited by the Company or of a share over which the Company has a lien, shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares so sold.

Article 19

MEMBERS NOT ENTITLED TO PRIVILEGES OF MEMBERSHIP UNTIL ALL CALLS PAID. No member shall be entitled to receive any dividend or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

Article 20

DIRECTORS MAY MAKE CALLS. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all moneys

unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors.

Article 21

WHEN CALL DEEMED TO HAVE BEEN MADE. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

Article 22

LIABILITY OF JOINT HOLDERS. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments in respect thereof.

Article 23

INTEREST ON UNPAID CALL. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

Article 24

PAYMENTS IN ADVANCE OF CALLS. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the monies for the time being remaining uncalled on his shares, and may pay interest upon the monies so paid in advance at such rate as they think fit but the monies so paid in advance shall not confer a right to participate in the profits of the Company.

Article 25

SUMS PAYABLE ON ALLOTMENT DEEMED TO BE A CALL. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in the case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.

Article 27

CALLS MAY BE PAID IN ADVANCE. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

Article 28

SHARES TO BE TRANSFERABLE. There shall be no restriction on the transfer of fully paid securities, except where required by law. Subject to the restrictions of these Articles, shares shall be transferable but every transfer shall be in writing in the form approved by the Company and in the event of the Company being listed in the Stock Exchange of Singapore, by the Stock Exchange of Singapore, and shall be left at the office accompanied by the

Certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer.

Article 29

TRANSFERS TO BE EXECUTED BY BOTH PARTIES. The instrument of transfer of any share shall be executed by or on behalf of both the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof. No instrument of transfer in respect of which the transferee is CDP shall be rendered invalid or ineffective by reason of it not being signed or witnessed by or on behalf of CDP.

Article 30

TRANSFER FEE. The Company shall be entitled to charge a fee not exceeding two dollars (\$2.00) or in the event of the Company being listed on the Stock Exchange of Singapore, such other sum as may from time to time be prescribed by the Stock Exchange of Singapore on the registration of every transfer.

Article 31

REGISTRATION OF TRANSFERS MAY BE SUSPENDED. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

Article 32

ON DEATH OF MEMBER, SURVIVOR OR EXECUTOR ONLY RECOGNISED. In the case of the death of a member the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.

Article 33

PERSON ENTITLED MAY RECEIVE DIVIDENDS WITHOUT BEING REGISTERED AS A MEMBER, BUT MAY NOT EXERCISE OTHER RIGHTS. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the shares, but he shall not be entitled in respect of it to receive notice of or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or privileges as a member unless and until he shall become a member in respect of the share.

Article 34

DIRECTORS REQUIRE PAYMENT OF CALL WITH INTEREST AND EXPENSES. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment or such part thereof as remains unpaid, together with interest at such rate as the Directors shall determine, and any expenses that may have accrued by reason of such non-payment.

Article 35

NOTICE REQUIRING PAYMENT TO CONTAIN CERTAIN PARTICULARS. The notice shall name a further day (not earlier than the expiration of seven days from the date of the notice)

on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

Article 36

ON NON-COMPLIANCE WITH NOTICE SHARES FORFEITED ON RESOLUTION OF DIRECTORS. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared.

Article 37

NOTICE OF FORFEITURE TO BE GIVEN AND ENTERED IN REGISTER OF MEMBERS. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof shall forthwith be made in the register of members opposite to the shares; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Article 39

DIRECTORS MAY DISPOSE OF FORFEITED SHARES. Every share which shall be forfeited may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person upon such terms and in such manner as the Directors shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.

Article 40

FORMER HOLDER OF FORFEITED SHARES LIABLE FOR CALL MADE BEFORE FORFEITURE. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture, without any deduction of allowance for the value of the shares at the time of forfeiture.

Article 42

TITLE TO FORFEITED SHARE. A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof, and a certificate of proprietorship of the share under the Seal delivered to the person to whom the same is sold or disposed of, shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to application of the purchase money (if any) nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

Article 43

POWER TO CONVERT INTO STOCK. The Company may by ordinary resolution passed at a general meeting convert any paid up shares into stock and reconvert any stock into paid up shares of any denomination.

Article 44

TRANSFER OF STOCK. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

Article 45

RIGHTS OF STOCKHOLDERS. The holders of stock shall according to the amount of the stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by such aliquot part of stock which would not if existing in shares have conferred that privilege or advantage.

Article 47

COMPANY MAY INCREASE ITS CAPITAL. The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

Article 48

COMPANY MAY ALTER ITS CAPITAL. The Company may by ordinary resolution:-

- (A) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (B) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act and so that as between the resulting shares, one or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards dividend, capital, voting, or otherwise over the others or any other of such shares; or
- (C) Cancel any shares not taken or agreed to be taken by any person.

Article 49

COMPANY MAY REDUCE ITS CAPITAL. The Company may by special resolution reduce its share capital and any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Act,

Article 50

RIGHTS OF SHAREHOLDERS MAY BE ALTERED. Subject to the provisions of Section 74 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in

any manner with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the members of that class. To any such separate meeting all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be members of the class holding or representing by proxy one-third of the share capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one vote for every such share held by him.

Article 53

EXTRAORDINARY MEETINGS. The Directors may call an Extraordinary Meeting whenever they think fit, and Extraordinary Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 176 of the Act.

Article 54

NOTICE OF MEETING. Subject to the provisions of Sections 184 and 185 of the Act relating to the convening of meetings to pass special resolutions and resolutions of which special notice is required, fourteen days' notice at the least, specifying the place the day and the hour of meeting, shall be given in manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of general meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid, a meeting may be convened upon a shorter notice, and in such manner as such persons may approve. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. In the event of the Company being listed in the Stock Exchange of Singapore at least fourteen days' notice of every such meeting shall be given by advertisement in the daily press and in writing to the Stock Exchange of Singapore. The accidental omission to give such notice to, or the non-receipt of such notice by, any such person shall not invalidate the proceedings or any resolution passed at any such meeting.

Article 55

RESOLUTION SIGNED BY ALL MEMBERS AS EFFECTIVE AS IF PASSED AT GENERAL MEETING. Subject to the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and attend and vote at general meetings (or being corporations by their duly authorised representatives) shall be valid and effective as if the same had been passed at a general meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more members.

Article 56

SPECIAL BUSINESS. All business shall be deemed special that is transacted at an Extraordinary Meeting, and also all that is transacted at an Ordinary Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, and any other documents annexed to the balance sheets, the election of Directors in the place of those retiring and the appointment and fixing of the remuneration of the Auditors.

Article 57

NO BUSINESS TO BE TRANSACTED UNLESS QUORUM PRESENT. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be three members personally present or represented by proxy or any three Depositors appointed by CDP as its proxies personally present or represented by such persons appointed by such Depositors as the proxies of CDP.

Article 58

IF NO QUORUM MEETING ADJOURNED OR DISSOLVED. If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

Article 59

CHAIRMAN OR BOARD TO PRESIDE AT ALL MEETINGS. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting, in his absence, the Deputy Chairman, and in the absence of both the Chairman and the Deputy Chairman, the Vice-Chairman shall preside as Chairman at every General Meeting. If at any meeting the Chairman, the Deputy Chairman or the Vice-Chairman be not present within fifteen minutes after the time appointed for holding the meeting or be unwilling to act, the members present shall choose one of the Directors to be Chairman of the meeting, or if no Director be present or if all the Directors present decline to take the chair, one of their number present to be Chairman.

Article 60

NOTICE OF ADJOURNED MEETINGS. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of any adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Article 61

HOW RESOLUTION DECIDED. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands a poll is demanded by the Chairman or by any person for the time being entitled to vote at the meeting, and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, shall be conclusive, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Article 62

HOW POLL TO BE TAKEN. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place, and in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with at a meeting pending the taking of the poll.

Article 64

NUMBER OF VOTES. Subject to any rights or restrictions for the time being attached to any class or classes of shares, each member entitled to vote may vote in person or by proxy or by attorney or, in the case of a corporation, by a representative. Every member present in

person or represented by an attorney or, in the case of a corporation, by a representative and each proxy appointed by a member shall have one vote on a show of hands and shall have one vote for each share of which he is the holder or of which he represents on a poll.

Article 65

SPLIT VOTES. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he used in the same way.

Article 66

VOTES OF JOINT HOLDERS OF SHARES. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holder; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

Article 67

VOTES OF LUNATIC MEMBER. A person of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other legal curator and such last mentioned persons may give their votes either personally or by proxy.

Article 69

- (1) A member may appoint not more than two proxies to attend and vote at the same General Meeting, provided that if the Member is CDP:-
 - (a) CDP may appoint more than two proxies to attend and vote at the same General Meeting and shall specify on each instrument of proxy the number of shares in respect of which the appointment is made;
 - (b) the Company shall:-
 - i) reject any instrument of proxy lodged if the proxy first named in that instrument, being the Depositor, is not shown, in the records of CDP as at a time not earlier than 48 hours prior to the time of the relevant General Meeting ("the cut-off Time") supplied by CDP to the Company, to have any shares credited to a Securities Account; and
 - ii) notwithstanding the proportion of shareholding specified in an instrument of proxy pursuant to the provisions herein, on a poll to accept as validly cast by a proxy appointed by CDP, being the Depositor, votes in respect of such number of shares corresponding with the number of shares credited to the Securities Account of the relevant Depositor, as shown in the records of CDP as at a time not earlier than 48 hours prior to the time of the relevant General Meeting supplied by CDP to the Company, whether that number is greater or smaller than the proportion so specified in Article 69(1)(a);
 - (c) a Depositor first named in an instrument of proxy need not exercise, on a poll, all the votes in respect of the shares in which he represents as a proxy of CDP.
 - (d) a Depositor first named in an instrument of proxy may nominate not more than two persons as the proxy or proxies of CDP to attend and vote at the same meeting in the Depositor's stead and, subject to Article 69(1)(b)(ii), shall specify the proportion of its shareholdings to be represented by each proxy where it nominates more than one proxy and the Company shall, on a

poll, accept as validly cast by such proxy the number of shares which such proxies represent.

- (2) Where a member appoints more than one proxy or a Depositor first named in an instrument of proxy appoints more than one person to be the proxy of CDP pursuant to Article 69(1)(d), he shall specify the proportion of his shareholding to be represented by each proxy failing which the form of proxy shall be treated as invalid.
- (3) An instrument appointing proxy shall be in writing in any usual or common form (including any form approved from time to time by CDP) or in any other form which the Directors may approve and:-
 - (a) in the case of an individual, shall be signed by the appointor or his attorney; and
 - (b) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation or, in the case of CDP, signed by its duly authorised officer by some method or system of mechanical signature as CDP may deem appropriate.
- (4) The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor (which shall, for purposes of this Article 69(4), include a Depositor) or by an attorney duly authorised in writing (or if the Depositor is a corporation) under the common seal or under the hand of its attorney duly authorised in writing, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid;
- (5) The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. Such an instrument shall also be deemed to confer authority on each proxy so appointed to appoint not more than two persons to attend the General Meeting in his place as a proxy;
- (6) A proxy need not be a Member of the Company.

Article 70

INSTRUMENT APPOINTING A PROXY TO BE LEFT AT THE OFFICE. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited at the Office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Article 71

FORM OF PROXY. An instrument appointing a proxy shall be in writing in the common form or any other form approved by the Directors.

Article 73

NUMBER OF AND FIRST DIRECTORS. All the Directors of the Company shall be natural persons. Until otherwise determined by a general meeting the number of Directors shall be not less than two nor more than ten. The first Directors shall be Mr Thomas Home Alan Potts and Mr Seow Kiew Tan.

Article 74

POWER TO ADD TO DIRECTORS. The Directors shall have power from time to time and at any time to appoint additional Directors, provided that the total number of Directors shall not exceed the prescribed maximum. A Director so appointed shall retire from office at the close of the next Annual General Meeting, but shall be eligible for re-election.

Article 76

ALTERNATE DIRECTORS. Any Director may from time to time and at any time appoint any person (not dis-approved by a majority of the other Directors for the time being) to be alternate Director of the Company, and may at any time remove the alternate Director so appointed by him from office. An alternate Director so appointed shall be entitled to receive remuneration from the Company and to receive notices of and attend all meetings of the Directors, and to vote as a Director at any such meeting at which the Director appointing him is not present, and generally in the absence of his appointor to perform all the functions of his appointor as a Director. Any fee paid by the Company to the alternate Director shall be deducted from the remuneration payable to his appointor. An alternate Director may be removed from office by resolution of the Board, and shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director. All appointments and removals of alternate Directors made by any Director in pursuance of the provisions of this Article shall be in writing under the hand of the Director making the same and left at the office. The nomination of an alternate Director shall be valid if made by cable or telegram, provided that such nomination shall be confirmed within three months from the date of such cable or telegram by a written nomination complying with the above-mentioned requirements, and any act done by the alternate Director nominated in such cable or telegram between the date thereof and the date of the receipt within the prescribed period by the Company of the written nomination shall be as valid and effectual as if such alternate Director had been duly appointed in the first instance, whether such written nomination shall be received by the Company within the prescribed period or not.

Article 77

DIRECTORS' REMUNERATION. Fees payable to the Directors shall from time to time be determined by the Company in general meeting and such fees shall not be increased except pursuant to an Ordinary Resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the meeting. Fees payable to non-executive directors shall be by a fixed sum and not by way of commission on or percentage of profits or turnover. Salaries payable to executive directors may not include a commission on or percentage of turnover. The Directors shall also be paid such travelling, hotel and other expenses as may reasonably be incurred by them in the execution of their duties including any such expenses incurred in connection with their attendance at meetings of Directors. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of salary, commission, participation in profits or otherwise, as may be arranged. No Director shall participate in an issue of shares to employees of the Company unless such Director shall hold office in an executive capacity and the specific allotment of shares to be made to such Director shall be approved by members in a general meeting.

Article 78

DIRECTOR MAY BE INTERESTED IN OTHER COMPANIES. A Director of the Company may be or become a Director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company unless the Company otherwise directs.

Article 79

DIRECTOR TO MANAGE COMPANY'S BUSINESS. The business of the Company shall be managed by the Directors, who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Act or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. Provided that any sale or disposal by the Directors of the Company's main undertaking shall be subject to ratification by shareholders in a general meeting.

Article 80

CHAIRMAN, DEPUTY CHAIRMAN AND VICE-CHAIRMAN. The Directors may from time to time elect one of their body to be Chairman of the Company, another of their body to be Deputy Chairman of the Company and another of their body to be Vice-Chairman of the Company in each case for a fixed term not exceeding five years or without any limitation as to the period for which any such Director is to hold the office to which he is appointed and on such terms as they think fit. A Director so appointed to any one of these offices shall not while holding such office be subject to retirement by rotation or taken into account in determining the rotation of retirement of Directors, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company, his appointment shall be subject to determination ipso facto if he ceases from any cause to be a Director, or if the Directors resolve that his term of office be determined. A Director holding any such office as aforesaid shall receive such remuneration as the Directors may determine but shall not under any circumstances be remunerated by a commission on or percentage of turnover.

Article 81

MANAGING DIRECTORS. The Directors may from time to time and at any time appoint one or more of their body to be Managing Director or Managing Directors for a term not exceeding five (5) years and upon such terms and at such remuneration (whether by way of salary or commission or participation in profits, or by any or all of these modes or otherwise) as they may think fit, and a Director so appointed shall not, while holding that office, be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire, but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold office of Director he shall ipso facto and immediately cease to be a Managing Director. A Managing Director shall at all times be subject to the control of the Directors.

Article 82

ATTORNEYS. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

Article 83

DIRECTORS' BORROWING POWERS. The Directors may borrow or raise from time to time for the purposes of the Company or secure the payment of such sums as they may think fit, and may secure the repayment or payment of any such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures (whether at par or at a discount or premium) or otherwise as they may think fit.

Article 84

VACANCIES IN BOARD. The continuing Directors may act at any time notwithstanding any vacancy in their body: Provided Always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by these Articles, it shall be lawful for them to act as Directors for purpose of filling up vacancies in their body, or of summoning a general meeting of the Company, but not for any other purpose.

Article 85

DIRECTORS TO COMPLY WITH ACT. The Directors shall duly comply with the provisions of the Act, and particularly the provisions as to registration and keeping copies of mortgages and charges, keeping of the register of members, keeping a register of Directors and entering all necessary particulars therein, and sending a copy thereof or a notification of any changes therein to the Registrar of Companies, and sending to such Registrar an annual return, together with the Certificates and particulars required by Section 197 of the Act, notices as to increase of capital, returns of allotments and contracts relating thereto, copies of resolutions and agreements and other particulars connected with the above.

Article 86

DIRECTORS TO CAUSE MINUTES TO BE MADE. The Directors shall cause proper minutes to be made of all general meetings of the Company and also of all appointments of officers, and of the proceedings of all meetings of Directors and committees, and of the attendances thereat, and all business transacted at such meetings; and any such minute of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts thereon stated.

Article 87

DIRECTORS MAY CONTRACT WITH COMPANY. A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract, provided that the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 131 of the Act. No Director shall vote as a Director in respect of any contract or arrangement in which he is interested, although he shall be counted in the quorum present at the meeting, but this prohibition shall not apply to any contract or arrangement with any other company in which he is interested only as an officer of the Company or as holder of shares or other securities.

Article 88

DIRECTORS MAY HOLD OTHER OFFICE OF PROFIT. A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine.

Article 90

OFFICE OF DIRECTOR VACATED IN CERTAIN CASES. Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a Director shall be vacated:-

- (A) If a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (B) If he is prohibited from being a Director by reason of any order made under any provision of the Act.
- (C) If he is found lunatic or becomes of unsound mind.
- (D) If he shall be requested to vacate office by all the other Directors, and they pass a resolution that he has been so requested and by reason thereof has vacated his office.
- (E) If he resigns his office by notice in writing to the Company.

Article 91

NUMBER OF DIRECTORS MAY BE INCREASED OR REDUCED. The Company may from time to time in general meeting increase or reduce the number of Directors.

Article 92

ELECTION OF DIRECTORS. An election of Directors shall take place each year. All Directors except a Managing Director shall retire from office once at least in each three years but shall be eligible for re-election.

Article 93

VACANCY TO BE FILLED BY DIRECTORS. Any vacancy occurring in the Board of Directors may be filled up by the Directors or the members at the general meeting. A Director so appointed by the Directors shall retire from office at the close of the next General Meeting but shall be eligible for re-election.

Article 94

NOMINATION OF DIRECTORS FOR ELECTION. No person not being a retiring director shall be eligible for election to the office of director at any general meeting unless some member intending to propose him has, at least eleven clear days before the meeting, left at the office of the Company a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him, PROVIDED THAT in the case of a person recommended by the directors for election, nine clear days notice only shall be necessary, and notice of each and every candidature for election to the Board of Directors shall be served on the registered holders of shares at least seven days prior to the meeting at which the election is to take place.

Article 95

DIRECTORS MAY BE REMOVED BY ORDINARY RESOLUTION. The Company may by Ordinary Resolution remove any Director before the expiration of his period of office, and may, if thought fit, by Ordinary Resolution appoint another Director in his stead.

Article 98

CHAIRMAN OF THE BOARD. The Meetings of Directors shall be presided over by the Chairman and in his absence by the Deputy Chairman and in the absence of both the Chairman and the Deputy Chairman by the Vice-Chairman. If at any meeting the Chairman, Deputy Chairman and the Vice-Chairman shall not be present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

Article 101

MEETINGS OF COMMITTEES. A Committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote except when only two members are present and form a quorum or only two are competent to vote on the question at issue.

Article 102

ALL ACTS DONE BY DIRECTORS TO BE VALID. All acts done bona fide by any meeting of Directors, or by a committee of Directors, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

Article 103

RESOLUTION SIGNED BY DIRECTORS TO BE VALID. A resolution in writing signed by a majority of the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened, held and constituted.

Article 104

APPOINTMENT OF SECRETARY. The Secretary shall, and a Deputy or Assistant Secretary may, be appointed by the Directors for such term at such remuneration and upon such conditions as they may think fit; and any Secretary or Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he or they may have for damages for any breach of contract of service against the Company.

Article 105

APPOINTMENT OF SUBSTITUTE. The Directors may from time to time by resolution appoint a temporary substitute for the Secretary, who shall be deemed to be the Secretary during the term of his appointment.

Article 106

SEAL TO BE AFFIXED BY AUTHORITY OF RESOLUTION OF BOARD AND IN THE PRESENCE OF TWO DIRECTORS OR ONE DIRECTOR AND THE SECRETARY. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors, and in the presence of two Directors or a Director and the Secretary or such other person as the Directors may appoint for the purpose and that the Directors or Director and the Secretary or other person as aforesaid shall sign every instrument to which the Seal is so affixed in their presence, and in favour of any person bona fide dealing with the Company either autographically or mechanically by a method approved by the auditors, such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed. The Company may exercise the powers conferred by Section 35 and Section 101 of the Act

with regard to having an official seal for use abroad and a duplicate common seal respectively, and such powers shall be exercised by the Directors.

Article 107

Subject to any preferential or other special rights for the time being attached to any special class of shares, the profits of the Company which it shall from time to time determine to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up or credited as paid up thereon respectively otherwise than in advance of calls.

Article 108

DECLARATION OF DIVIDENDS. The Directors may, with the sanction of a General Meeting, from time to time declare dividends, but no such dividend shall be payable except out of the profits of the Company. The Directors may, if they think fit, from time to time declare and pay to the members such interim dividends as appear to them to be justified by the position of the Company, and may also from time to time if in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any shares are made payable on fixed dates. No higher dividend shall be paid than is recommended by the Directors, and the declaration of the Directors as to the amount of the net profits shall be conclusive.

Article 109

DEDUCTION FROM DIVIDEND. The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Article 110

PAYMENT OTHERWISE THAN IN CASH. Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

Article 111

DIRECTORS MAY FORM RESERVE FUND AND INVEST. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves, which shall at the discretion of the Directors be applicable for meeting contingencies, or for repairing or maintaining any works connected with the business of the Company, or for equalising dividends, or for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company, and pending such application the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares in the Company, as they may select. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company.

Article 112

DIVIDEND WARRANTS TO BE POSTED TO MEMBERS. Every dividend warrant may, unless otherwise directed, be sent by post to the last registered address of the member entitled thereto, and the receipt of the person, whose name at the date of the declaration of the dividend appears on the register of members as the owner of any share or, in the case of joint holders, of any one of such joint holders, shall be a good discharge to the Company for all payments made in respect of such share. No unpaid dividend or interest shall bear interest as against the Company.

Article 113

COMPANY MAY CAPITALISE RESERVES AND UNDIVIDED PROFITS. The Company in general meeting may at any time and from time to time pass a resolution that any sum not required for the payment or provision of any fixed preferential dividend, and (A) for the time being standing to the credit of any reserves of the Company, including premiums received on the issue of any shares or debentures of the Company, or (B) being undivided net profits in the hands of the Company, be capitalised, and that such sum be appropriated as capital to and amongst the ordinary shareholders in the proportions in which they would have been entitled thereto if the same had been distributed by way of dividend on the ordinary shares, and in such manner as the resolution may direct, and such resolution shall be effective; and the Directors shall in accordance with such resolution apply such sum in paying up in full any unissued shares or debentures of the Company on behalf of the ordinary shareholders aforesaid, and appropriate such shares or debentures and distribute the same credited as fully paid up to and amongst such shareholders in the proportions aforesaid in satisfaction of the shares and interests of such shareholders in the said capitalised sum or shall apply such sum or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued ordinary shares held by such shareholders or otherwise deal with such sum as directed by such resolution. Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid-up shares or debentures, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trust for the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with Section 54 of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective.

Article 116

ACCOUNTS TO BE LAID BEFORE COMPANY. Once at least in every year but in any event before the expiry of six months from the close of a financial year of the Company the Directors shall lay before the Company in general meeting a profit and loss account and balance sheet for the period since the preceding account or (in the case of the first account) since the incorporation of the Company, made up to a date not more than six months before such meeting. The said account and balance sheet shall be accompanied by such reports and documents and shall contain such particulars as are prescribed by Section 169 of the Act.

Article 117

ACCOUNTS TO BE AUDITED. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors, and the provisions of Sections 172, 173, 174 and 175 of the Act and any modification or re-enactment thereof for the time being in force in regard to audit and Auditors shall be observed.

Article 118

SERVICE OF NOTICES. A notice or any other document may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register of members.

Article 119

SERVICE OF JOINT HOLDERS OF SHARES. All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and any notice so given shall be sufficient notice to all the holders such share.

Article 120

NOTICES IN CASE OF DEATH OR BANKRUPTCY. A notice may be given by the Company to the persons entitled to any share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt member, at the address (if any) supplied for the purpose by such person as aforesaid, or (until such an address has been supplied) by giving the notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.

Article 122

DISTRIBUTION IN SPECIE. If the Company shall be wound up, the Liquidators may, with the sanction of a special resolution, divide amongst the members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the members, but so that if any division is resolved on otherwise than in accordance with such rights the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to Section 270 of the Act. A special resolution sanctioning a transfer or sale to another company duly passed pursuant to the said Section may in like manner authorise the distribution of any shares or other consideration receivable by the Liquidators amongst the members otherwise than in accordance with their existing rights, and any such determination shall be binding upon all the members subject to the right of dissent and consequential rights conferred by the said Section.

Article 123

REMUNERATION OF LIQUIDATORS. If the Company shall be wound up voluntarily, no commission or fee shall be paid to liquidator unless it shall have been ratified by members of the Company in a general meeting. The amount of such payment shall be notified to all shareholders at least seven days prior to the meeting at which it is to be considered.

Article 124

DIRECTORS AND OFFICERS ENTITLED TO INDEMNITY. Subject to Section 140 of the Act, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

Part B

The Articles of the New Articles which will, subject to the approval of the Shareholders to the adoption of the New Articles at the EGM, substantially alter the Articles of the Existing Articles are reproduced below.

Article 2

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

"Act"	means the Companies Act, Chapter 50 or any statutory modification thereof for the time being in force;
"these Articles"	means these Articles of Association as originally framed or as altered from time to time by special resolution;
"Directors"	means the Directors for the time being of the Company;
"Dividend"	includes dividend and/or bonus;
"Exchange"	means the Singapore Exchange Securities Trading Limited and any other share stock or securities exchange upon which the shares of the Company may be listed;
"Managing Director"	means the most senior executive director of the Company, his appointment in the Company being howsoever described;
"market day"	means a day on which the Singapore Exchange Securities Trading Limited is open for trading in securities;
"Member"	means any person whose name is registered in the Register of Members, or where such a person is the Depository, the Depositor against whose name the shares are entered in the Depository Register;
"month"	means a calendar month;
"Office"	means the registered office for the time being of the Company;
"paid"	means paid or credited as paid;
"Register of Members"	means the register of members required to be kept pursuant to Section 190 of the Act;

"Seal"	means the Common Seal of the Company;
"Secretary"	means any person appointed by the Directors to perform the duties of Secretary of the Company;
"Singapore Dollars" or "S\$"	means the lawful currency of the Republic of Singapore; and
"year"	means a calendar year.

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

References in these Articles to "holders" of shares or any class of shares shall:-

- (a) exclude the Depository except where otherwise expressly provided for in these Articles or where the terms "registered holder" or "registered holders" are used in these Articles; and
- (b) where the subject and context so require, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of such shares;

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

Writing shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words denoting persons shall include corporations.

Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meanings in these Articles.

The headings and marginal notes in these Articles are inserted for convenience and reference only and shall not limit or circumscribe the scope or affect the construction of these Articles.

Article 3

Subject to the Act, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 52, and to any special rights attached to any shares for the time being issued the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit and with full power to give any person the call of any shares either at par or at a premium as the Directors may determine and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may deem fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manners of redemption being

determined by the Directors Provided always that:-

- (a) no shares shall be issued so as to transfer a controlling interest in the Company without the prior approval of the shareholders in a General Meeting; and
- (b) no shares shall be issued at a discount except in accordance with the Act.

Article 4

- (1) The rights attached to shares issued upon special conditions shall be clearly defined in the Memorandum of Association or these Articles. In the event of preference shares being issued the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company. Preference shareholders shall have the right to attend and vote at any meeting of the Company convened for the following purposes:-
 - (a) the reduction of capital of the Company; or
 - (b) the winding-up of the Company; or
 - (c) sanctioning the sale of the undertaking of the Company; or
 - (d) any resolution which directly affects any of the rights attaching to the preference shares; or
 - (e) where the dividend on the preference shares is more than six months in arrears.
- (2) Subject to Section 70 of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. The Company shall also have the power to issue further preference shares ranking equally with or in priority to any preference shares already issued.

Article 5

- (1) If at any time the share capital of the Company by reason of the issue of preference shares or otherwise is divided into different classes of shares, the repayment of such preference capital or all or any of the rights and privileges attached to each class may subject to the provisions of the Act, be varied modified commuted abrogated affected or dealt with, with the sanction of a special resolution passed at a separate General Meeting of the holders of that class of shares but not otherwise. To every such separate General Meeting the provisions of these Articles relating to General Meetings of the Company and to proceedings thereat shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any two holders of shares of the class present in person or by proxy 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 however that in the event of the necessary majority not having been obtained in the manner aforesaid consent in writing may be secured from Members holding at least three-fourths of the issued shares of the class and such consent if obtained within two months from the date of the separate General Meeting shall have the force and validity of a special resolution duly carried by a vote in person or by

proxy.

- (2) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of that class of shares be deemed to be varied by the creation or issue of further shares ranking equally therewith.

Article 6

The Company may exercise the powers of paying commissions conferred by the Act Provided that the rate per cent., or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and the rate of the commission shall not exceed the rate of ten per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Article 7

Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Act, and may charge the same to capital as part of the cost of construction of the works, buildings or plant.

Article 8

If two or more persons are entered in the Register of Members or (as the case may be) the Depository Register, as joint holders of any share, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the provisions following:-

- (a) The Company shall not be bound to register more than three persons as the registered joint holders of any share but this provision shall not apply in the case of executors or trustees of a deceased shareholder.
- (b) Joint holders of any share whose names are entered in the Register of Members or (as the case may be) the Depository Register shall be treated as one Member.
- (c) The Company shall not be bound to issue more than one certificate for a share registered jointly in the names of several persons and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.
- (d) The joint holders of any share whose names are entered in the Register of Members or (as the case may be) the Depository Register shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.
- (e) Any of the joint holders of any share whose names are entered in the Register of Members or (as the case may be) the Depository Register may give effectual receipts for any dividend, bonus or other sum of money payable to such joint holders in respect of such share.
- (f) On the death of any one of the joint holders of any shares whose names are entered in the Register of Members or (as the case may be) the Depository Register the survivor or survivors shall be the only person or persons recognised by the Company as having

any title to such share but the Directors may require such evidence of death as they think necessary.

Article 9

- (1) Except as required by law, no person other than the Depository shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the person whose name is entered in the Register of Members or (as the case may be) the Depository Register.
- (2) No person shall be recognised by the Company as having title to a fractional part of a share otherwise than as a sole or joint holder of the entirety of such share.
- (3) Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten market days of the closing date (or such other period as may be approved by any Exchange) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

Article 10

Subject to and in accordance with the provisions of the Act and to any other applicable rules, regulations or legislation, the Company may purchase or otherwise acquire shares issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. All shares repurchased by the Company shall be cancelled.

Article 11

Upon payment of the amount of the proper duty with which each such certificate is chargeable under any law for the time being in force relating to stamps and upon further payment of such fee not exceeding Singapore Dollars Two (S\$2.00) as the Directors may from time to time require for every certificate after the first, every Member shall be entitled to receive in the case of an allotment of shares within ten market days of the closing date of any application to subscribe for shares (or such other period as may be approved by any Exchange upon which the shares in the Company may be listed) and in the case of a lodgement of a registrable transfer of shares within fifteen market days after the date of lodgement of a registrable transfer (or such other period as may be approved by any Exchange upon which the shares in the Company may be listed) to one certificate for all his shares of any one class or to several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where a Member transfers only part of the shares so comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of sub-dividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the Member shall pay the amount of proper duty, if any, with which each such certificate is chargeable under any law for the time being in force relating to stamps and payable on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require and a fee not exceeding Singapore Dollars Two (S\$2.00) for each new certificate or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any Exchange upon which the shares of the Company may be listed.

Article 12

Every certificate of title to shares shall be under the Seal in such form as the Directors shall from time to time prescribe and shall bear the autographic or facsimile signatures of at least one Director and the Secretary or some other person appointed by the Directors, and shall specify the number and class of shares to which it relates and the amounts paid up thereon. Any facsimile of such signatures may be reproduced by mechanical or other means prescribed by the Directors from time to time.

Article 13

Subject to the provisions of the Act, 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 any Exchange upon which the shares in the Company may be listed 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 up of the old certificate and in any case on payment of such sum not exceeding Singapore Dollar one (S\$1) for each share certificate as the Directors may from time to time require together with the amount of the proper duty with which such share certificate is chargeable under any law for the time being in force relating to stamps. 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.

Article 14

The Company shall have a first and paramount lien on every share (not being a fully paid-up share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, but such lien shall extend only to the specific shares on which such calls or instalments are for the time being unpaid and to all dividends from time to time declared in respect of such shares. The Company shall also have a first and paramount lien on all shares (whether fully paid or not) for all moneys which the Company may be called upon by law to pay in respect of the shares of any Member or deceased Member whether such shares shall be held solely or jointly.

Article 15

The Company may sell in such manner as the Directors think fit any shares on which the Company has lien, but no sales shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the member for the time being in relation to the share, or the person entitled thereto by reason of his death or bankruptcy.

Article 16

The net proceeds of sale whether of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable and any residue shall be paid to the Member entitled to the shares at the time of sale or to his executors, administrators or assignors or as he or they may direct.

Article 17

To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser, and the purchaser shall be entered in the Register of Members as the holder of the share or (as the case may be) the Company shall procure that his name be

entered in the Depository Register in respect of the share and 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 in reference to the sale.

Article 18

- (1) The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the Members in respect of all moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) as they think fit, Provided that fourteen days' notice at least (specifying the time or times and place of payment) is given of each call and each Member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors.
- (2) If by the terms of the issue of any shares or otherwise any amount is made payable at any fixed time or by instalments at any fixed times such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given; and all provisions hereof with respect to the payment of calls and interest thereon or to the forfeiture of shares for non-payment of calls shall apply to such amount or instalments and the shares in respect of which they are payable.

Article 19

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such a call was passed and may be made payable by instalments. A call may be revoked or postponed as the Directors may determine.

Article 20

The joint holders of a share whose names are entered in the Register of Members or (as the case may be) the Depository Register shall be jointly and severally liable for the payment of all calls and instalments in respect thereof.

Article 21

If before or on the day appointment for payment thereof, a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding ten per cent. per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

Article 22

Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in the case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.

Article 24

The Directors may, if they think fit, receive from any Member willing to advance all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called upon the shares in respect of which such advance has been made, the Directors may pay or allow such

interest as may be agreed between them and such Member, in addition to the dividend payable upon such part of the shares in respect of which such advance has been made as is actually called up. Capital paid up in advance of calls shall not whilst carrying interest confer a right to participate in profits.

Article 25

At the trial or hearing of any action or other proceeding for the recovery of any money due for any call it shall be sufficient to prove that the name of the Member sued is entered in the Register of Members or (as the case may be) the Depository Register as the holder or one of the holders of the shares in respect of which such call was made and that the resolution making such call is duly recorded in the minute book of the Directors and that the notice of such call was duly given to the Member sued according to the provisions of these Articles and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of a debt due from the Member sued to the Company.

Article 26

Subject to the provisions of these Articles, all transfers of legal title in shares shall be effected by written instrument of transfer in the form approved by the Singapore Exchange Securities Trading Limited.

Article 27

The instrument of transfer of the legal title in any share shall be signed by or on behalf of both the transferor and the transferee, and be witnessed Provided that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository. Notwithstanding the foregoing, the Directors may waive the signing of an instrument of transfer by the transferee in the case of fully paid shares if in their discretion they think proper to do so. The transferor shall remain the holder of the share concerned until the name of the transferee is entered in the Register of Members or, as the case may be, the Depository Register in respect thereof.

Article 28

The legal title in shares shall not in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Article 29

- (1) There shall be no restriction on the transfer of fully paid shares (except where required by law or by the rules, bye-laws or listing rules of any Exchange) but the Directors may decline to register the transfer of any share (not being a fully paid share) to a person whom they shall not approve, and they may also decline to register the transfer of a share on which the Company has a lien Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within one month beginning with the day on which the application for a transfer of shares was made, serve a notice in writing to the transferor, the transferee and the lodging party, stating the precise reasons and the facts which are considered to justify the refusal as required by the Act.
- (2) The Directors may also decline to register any instrument of transfer, unless:-
 - (a) the instrument of transfer is duly stamped and such fee, not exceeding Singapore Dollars two (S\$2) per transfer is paid to the Company in respect

thereof; and

- (b) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and if the instrument of transfer is executed by some other person on his behalf, the authority of the person to so do; and
 - (c) the instrument of transfer is in respect of only one class of shares.
- (3) All instrument of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.
- (4) The Company shall be entitled to destroy:-
- (a) all instruments of transfer which have been registered at any time after the expiration of seven years from the date of registration thereof;
 - (b) all dividend mandates and notifications of change of address at any time after the expiration of seven years from the date of recording thereof; and
 - (c) all share certificates which have been cancelled at any time after the expiration of seven years from the date of the cancellation thereof.
- (5) It shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company Provided always that:-
- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and
 - (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Article 30

The Register of Members and the Depository Register may be closed at such times and for such period as the Directors may from time to time determine Provided always that such registers shall not be closed for more than thirty days in aggregate in any one year Provided always that the Company shall give prior notice of such closure as may be required to any Exchange, stating the period and purpose or purposes for which the closure is made.

Article 31

There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificates of marriages or death, power of attorney or other document relating to or affecting the title to any shares, such fee, not exceeding Singapore Dollars two (S\$2) as the Directors may from time to time require or prescribe.

Article 32

Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

Article 33

In the case of the death of a Member, the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

Article 34

Any person becoming entitled to the title in a share in consequence of the death or bankruptcy of any Member may, upon such evidence of his title to the share being produced as the Directors may think necessary and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that person before his death or bankruptcy as the case may be.

Article 35

If any person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him and stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that other person a transfer of the legal title in the share. Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the legal title in the share and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

Article 36

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share by transmission in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share to which he would be entitled if he were the registered holder of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at meetings of the Company, or save as aforesaid, to exercise any of the rights or privileges of a Member, unless and until he has been registered as a Member in respect of the share.

Article 37

If any Member fails to pay the whole or any part of any call or instalment on or before the day appointed for the payment thereof the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with interest at such rate not exceeding ten per cent. per annum as the Directors shall determine, and any expenses that may have accrued by reason of such non-payment.

Article 38

The notice shall name a further day (not being less than seven days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that in the event of non-payment at or before the time and the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

Article 39

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment of all calls, and interest and expenses required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared.

Article 40

When any share has been forfeited in accordance with these Articles, notice of the forfeiture is to be given forthwith to the holder of the shares or to the person entitled to the share by transmission, as the case may be; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

Article 42

Every share which shall be forfeited shall thereupon become the property of the Company, and may be either cancelled or sold or re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Directors shall think fit. To give effect to any such sale, the Directors may, if necessary, authorise some other person to transfer or effect the transfer of a forfeited share to any such person as aforesaid.

Article 43

A Member whose shares have been forfeited shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the share at the time of forfeiture, without any deduction or allowance for the value of the shares at the time of forfeiture.

Article 45

A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited, shall as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof, and a certificate of proprietorship of the share under the seal delivered to the person to whom the same is sold or disposed of (or where the purchaser is a Depositor, to the Depository), shall constitute good title to the share, and (subject to the execution of any necessary transfer) such person shall be entered in the Register of Members as the holder of the share or (as the case may be), the Company will procure that his name shall be entered in the Depository Register, and shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

Article 46

The Directors may, from time to time, with the sanction of the Company previously given in General Meeting convert all or any of its paid-up shares into stock and may from time to time, with like sanction, reconvert any such stock into paid-up shares of any denomination.

Article 47

When any shares have been converted into stock, the holders of such stock may transfer their respective interests therein, or any part of such interests, in such manner as the Company in General Meeting shall direct, but in default of any such direction in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred, or as near thereto as circumstances will admit; but the Directors may, if they think fit, from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, provided that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Article 48

The holders of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and for other purposes as if they held the shares from which the stock arose, but so that none of such privileges or advantages, except the participation in the dividends, profits and assets of the Company, shall be conferred by any holding or part of a holding of stock as would not if existing in shares, have conferred such privileges or advantages.

Article 50

The Company may in General Meeting alter the conditions of its Memorandum of Association by ordinary resolution:-

- (a) to consolidate and divide its share capital into shares of larger amount than its existing shares; or
- (b) to cancel any share or shares which, at the date of passing of the resolution, has or have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of shares so cancelled; or

- (c) to divide its share capital or any part thereof into shares of smaller amount than is fixed by its Memorandum of Association by sub-division of its existing shares or any of them, subject nevertheless to the provisions of the Act, and so that as between the resulting shares, one or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards dividends, capital, voting or otherwise over the shares or any other of such shares; and
- (d) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.

Article 51

The Company may by special resolution reduce its capital, any capital redemption reserve fund or any share premium account in any manner authorised and subject to any conditions required by law.

Article 52

- (1) The Company in General Meeting may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the General Meeting resolving upon such increase directs.
- (2) Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine; subject to the provisions of these Articles and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.

Article 53

- (1) Unless otherwise determined by the Company in General Meeting any original shares for the time being unissued and not allotted and any new shares from time to time to be created shall, before they are issued, be offered to the Members in proportion as nearly as may be, to the number of shares held by them. Such offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may, subject to these Articles, dispose of the same in such manner as they think most beneficial to the Company. The Directors may, in like manner dispose of any such new or original shares as aforesaid, which by reason of the ratio which the new shares bear to the existing shares held by Members or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in the manner hereinbefore provided.
- (2) Notwithstanding Article 53(1), no shareholders' approval is required for further issues of shares where:-
 - (a) in accordance with the provisions of the Act there is still in effect a resolution approving the issue of shares by the Company;
 - (b) the aggregate number of shares to be issued by the Company does not exceed 50% of the prevailing issued share capital of the Company, of which the

aggregate number of shares issued other than on a pro rata basis to existing Members ("Placement") does not exceed 20% of the prevailing issued share capital of the Company and there is still in effect a resolution approving the issuance of the shares by the Company;

- (c) the issue(s) of shares for cash pursuant to a Placement shall not, over a 12-month period from the date of first allotment, exceed an aggregate of 20% of the issued share capital of the Company for the time being and there is still in effect a resolution approving the issuance of the shares by the Company;
- (d) the issue(s) of shares pursuant to a Placement is/are not made to the Directors, major shareholders or other related parties. Parties are considered to be related if one party has an interest, within the meaning of Section 7 of the Act, in the other party or the ability to control the other party or to exercise significant influence over the other party in making financial and operating decisions; and
- (e) if applicable, the issue(s) of shares pursuant to a Placement shall not be priced at more than a 10% discount of the weighted average prices done on the Singapore Exchange Securities Trading Limited or on a recognised exchange at the time of the signing of a placement agreement, if any;

and such shares shall be at the disposal of the Directors and they may allot or otherwise dispose of the same to such persons and on such terms as they may think proper.

Article 54

Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise as the original share capital.

Article 55

The Directors may, from time to time, exercise all the powers of the Company to raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the Company.

Article 56

The Directors may raise or secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including uncalled capital, or by means of mortgages, bonds and dispositions in security or bonds of cash-credit, with or without power of sale, as the Directors shall think fit.

Article 57

Debentures, debenture stock or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Article 58

Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.

Article 59

The Directors shall cause a proper Register to be kept, in accordance with the Act, of all mortgages and charges affecting the property of the Company.

Article 60

Such sum as may be prescribed by the Act shall be payable for each inspection of the Register of Charges.

Article 63

The Directors may call an Extraordinary General Meeting whenever they think fit and an Extraordinary General Meeting shall also be convened by requisitions in accordance with the Act.

Article 64

Subject to the provisions of the Act as to special resolutions and special notice, at least fourteen days' notice in writing (exclusive both the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notices from the Company and at least fourteen days' notice of such meeting shall be given by advertisement in the daily press and in writing to the Exchange Provided always that the accidental omission to give any such notice or the non-receipt of such notice by any person entitled thereto shall not invalidate or otherwise affect the proceedings at any General Meeting.

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

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

Article 65

- (1) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him and that a proxy need not be a Member.
- (2) In the case of an Annual General Meeting the notice shall also specify the meeting as such.
- (3) In the case of any General Meeting at which business other than ordinary business is to be transacted the notice shall specify the general nature of such business and shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business; and if any resolution is to be proposed as a special resolution the notice shall contain a statement to that effect.

Article 66

All business shall be deemed special that is transacted at any Extraordinary General Meeting,

and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the following which shall be ordinary business, that is to say:-

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

Article 67

No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be two Members personally present or represented by proxy or by attorney or in the case of a corporation by a representative.

Article 68

If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or if that day is a public holiday then to the next business day following that, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present in person or by proxy or by attorney or in the case of a corporation by a representative shall be a quorum and may transact the business for which the meeting was called.

Article 69

The Chairman (if any) of the Board of Directors shall preside at every General Meeting, but if there is no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Members present shall choose some Director, or if no Director be present, or if all Directors present decline to take the chair, they shall choose some Member present to be the Chairman of the meeting.

Article 70

The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for ten days or more or sine die, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no Member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Article 71

At all General Meetings, resolutions put to the vote of the meeting shall be decided on a show

of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded in writing by the Chairman or by at least two Members present in person or by proxy or by attorney or in the case of a corporation by a representative and entitled to vote thereat, or by the holder or holders in person or by proxy or by attorney or in the case of a corporation by a representative of at least one-tenth part of the issued share capital of the Company, and unless a poll is so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

Article 72

If a poll be demanded in the manner aforesaid (and the demand is not withdrawn), it shall be taken at such time and place, and in such manner as the Chairman shall direct (including the use of ballot or voting papers or tickets), and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may (and if so requested shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

Article 73

No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.

Article 75

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question for which a poll has been demanded.

Article 76

Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, each Member entitled to vote may vote in person or by proxy or by attorney or in the case of a corporation by a representative and on a show of hands, shall have one vote and upon a poll shall have one vote for every share which he holds or represents.

Article 77

Any Member of unsound mind or in respect of whom an order has been made at any court having jurisdiction in lunacy may vote whether on a show of hands or by poll by his committee, receiver, curator bonis or other legal curator, and such last mentioned persons may give their votes either personally, by proxy or attorney Provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting.

Article 78

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

Article 79

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Article 80

On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative, and a person entitled to more than one vote need not use all his votes or cast all the votes he used in the same way.

Article 81

A proxy, attorney or representative need not be a Member.

Article 82

In the case of joint holders of shares, any one of such persons may vote and be reckoned in a quorum at any meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto, and if more than one of such persons be present at a meeting, the person whose name stands first on the Register of Members or (as the case may be) the Depository Register shall alone be entitled to vote. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

Article 83

- (1) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:-
 - (a) in the case of an individual, shall be signed by the appointor or his attorney; and
 - (b) in the case of a corporation, shall be either given under common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
- (2) The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor, (which shall, for purposes of this Article 83(2), include a Depositor) by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article 85, failing which the instrument may be treated as invalid.

Article 84

- (1) A Member may appoint not more than two proxies to attend and vote at the same General Meeting Provided that if a Member shall nominate two proxies then the Member shall specify the proportion of his shares to be represented by each such proxy, failing which the first named proxy shall be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
- (2) A proxy shall be entitled to vote on a show of hands on any matter at a General Meeting.
- (3) An instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at a Meeting and shall, unless the contrary is stated thereon, be valid as well for any

adjournment of the Meeting as for the Meeting to which it relates.

Article 85

An instrument appointing a proxy and, where the instrument of proxy is signed on behalf of the appointor (which shall, for the purposes of this Article, include a Depositor) by an attorney, the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power of authority (failing previous registration with the Company), shall be deposited at the Office or such other place (if any) as is specified for the purpose in the notice convening the Meeting not less than forty-eight hours before the time appointed for the time of holding the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used and in default shall not be treated as valid.

Article 86

- (1) A Depositor shall only be entitled to attend any General Meeting and to speak and vote thereat if his name appears on the depository Register forty-eight hours before the General Meeting as a Depositor (the "Relevant Time"). The Company shall then be entitled to deem each such Depositor as holding such number of shares as is entered against such Depositor's name in the Depository Register as at the Relevant Time, according to the records of the Depository as supplied by the Depository to the Company.
- (2) Where the Depositor has appointed a proxy, the Company shall be entitled to deem each proxy of a Depositor who is to represent the entire shareholding of the Depositor as representing such number of shares as is entered against such Depositor's name in the Depository Register as at the Relevant Time, according to the records of the Depository as supplied by the Depository to the Company.
- (3) Where the Depositor has appointed two proxies and specified the proportion of his shares which each proxy is to represent, the Company shall be entitled to apportion such number of shares as is entered against such Depositor's name in the Depository Register as at the Relevant Time, according to the records of the Depository as supplied by the Depository to the Company, between the two proxies in the same proportion as specified as specified by the Depositor in appointing the proxies.
- (4) No instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the Depositor's shareholding as specified in the instrument of proxy, or, where the same has been apportioned between two proxies, the aggregate of the proportions of the Depositor's shareholding which they are specified to represent, and the shareholding of a Depositor as appears on the Depository Register forty-eight hours before the General Meeting.
- (5) The Company shall be entitled to reject an instrument of proxy lodged by any Depositor whose name does not appear on the Depository Register as at forty-eight hours before the General Meeting at which the proxy is to act as certified by the Depository to the Company.

Article 87

A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Articles shall also include a Power of Attorney) shall be valid, notwithstanding the previous death or unsoundness of mind of the principal or revocation of the proxy, or the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy was executed, or the transfer of the share in respect of which the proxy is given Provided that no intimation in writing of such death, insanity, revocation or transfer shall have

been received by the Company at the Office (or at such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Article 89

The number of Directors shall be not less than two and, until otherwise determined by the Company in a General Meeting, not more than ten. All the Directors shall be natural persons. The Company by ordinary resolution in General Meeting may, from time to time, increase or reduce the number of Directors, and may alter their qualification, if any.

Article 90

Subject to the provisions of these Articles, the Directors shall have power from time to time and at any time to appoint a person as a Director either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors does not at any time exceed the maximum number fixed by these Articles. A Director so appointed shall hold office only until the next Annual General Meeting and retire from office at the close of the next Annual General Meeting, but shall be eligible for re-election and shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Article 92

- (1) The Directors shall be entitled to receive by way of fees for their services as Directors in each year such sum as shall from time to time, be determined by the Company by resolution passed at a General Meeting in accordance with the Act, the notice of which shall specify the proposals concerning the same. Such remuneration shall be divided amongst the Directors as they shall determine or failing agreement equally.
- (2) The fees payable to the Directors shall not be increased except pursuant to a resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the Meeting.
- (3) The remuneration of a non-executive Director shall be by a fixed sum and not by a commission on or percentage of profits or turnover.
- (4) The provisions of this Article are without prejudice to the power of the Directors to appoint any of their number to be employee or agent of the Company at such remuneration and upon such terms as they think fit without the approval of the Members in General Meeting Provided that such remuneration may include a commission on or percentage of profits but not a commission on or percentage of turnover.

Article 93

If any Director, being willing and having been called upon to do so, shall hold an executive office in the Company, shall render or perform extra or special services of any kind, including services on any committee established by the Directors, or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such sum as the Directors may think fit for expenses, and also such remuneration as the Directors may think fit (but not by way of commission on or percentage of turnover) and such remuneration may, as the Directors shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive.

Article 94

The Directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company.

Article 95

A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as a shareholder or otherwise, and unless otherwise agreed shall not be accountable for any remuneration or other benefits received by him as a director or officer of, or by virtue of his interest in, such other company unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be, or is about to be appointed a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.

Article 96

A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract Provided always that the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by the Act. No Director shall vote as a Director in respect of any contract or arrangement in which he is interested and he shall not be counted in the quorum present at the meeting.

Article 97

Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a Director shall be vacated:-

- (a) if a receiving order is made against him or he is made a bankrupt or he makes any arrangement or composition with his creditors;
- (b) if he becomes of unsound mind;
- (c) if he absents himself from the meetings of Directors for a period of six months without a special leave of absence from the other Directors, and they pass a resolution that he has by reason of such absence vacated his office;
- (d) if he is removed by a resolution of the Company in General Meeting;
- (e) if he is prohibited from being a Director by or any order made under any provision of the Act; or
- (f) if by notice in writing given to the Company he resigns from his office.

Article 98

Subject to the Act the Company may by ordinary resolution remove any Director before the expiration of his period of office, and may, if thought fit, by ordinary resolution appoint another

Director in his stead; but any person so appointed shall retain his office so long only as the Director in whose place he is appointed would have held the same if he had not been removed.

Article 99

The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Director shall automatically terminate if he ceases to be a Director but without prejudice to any claim for any damage or breach of any contract of service between him and the Company.

Article 100

The appointment of any Director to any other executive office shall automatically terminate if he ceases from any cause to be a Director only if the contract or resolution under which he holds expressly so provides, in which case such termination shall be without prejudice to any claim for damages or breach of any contract of service between him and the Company.

Article 101

The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors, for such period and upon such terms as they think fit (but where the appointment is for a fixed term that term shall not exceed five years) and may vest in such Managing Director or Managing Directors such of the powers hereby vested in the Directors generally as they may think fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions, and generally upon such terms as to remuneration and otherwise as they may determine. The remuneration of a Managing Director may subject to these Articles be by way of salary or commission or participation in profits, or by any or all of these modes or otherwise as may be thought expedient but shall not under any circumstance be by way of commission on or a percentage of the turnover of the Company.

Article 102

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

Article 103

A Managing Director shall at all times be subject to the control of the Directors but subject to these, the Directors may entrust to and confer upon a Director holding any such office as aforesaid any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, alter or vary all or any such powers.

Article 104

- (1) Any Director may at any time by writing under his hand and deposited at the Office appoint any person (other than another Director), first approved by a majority of his co-directors, to be his alternate Director and may in like manner at any time terminate such appointment.
- (2) The appointment of an alternate Director shall ipso facto determine:-

- (a) On the happening of any event which if he were a Director would cause him to vacate such office; or
 - (b) If his appointor ceases for any reason to be a Director otherwise than by retiring and being re-elected at the same meeting.
- (3) An alternate Director shall (subject to his giving to the Company an address within Singapore at which notices may be served upon him) be entitled to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally in the absence of his appointor from Singapore to perform all the functions of his appointor as a Director.
- (4) An alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director and he shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may be notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company. A person shall not act as an alternate Director to more than one Director at the same time.

Article 105

The Directors may from time to time appoint any person or persons to hold office as general adviser or adviser or honorary president to the Company (or howsoever described) on such terms and conditions as the Directors may in their sole and absolute discretion determine. It shall be the duty of such appointee to assist the Company with his counsel and advice when so requested.

Article 106

Subject to these Articles, at each Annual General Meeting one-third of the Directors for the time being (other than the Managing Director), or if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office. Provided Always that all Directors (other than the Managing Director) shall retire from office at least once every three years. A Director retiring at a meeting shall retain his office until the close of the meeting, whether adjourned or not.

Article 107

The Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Article 108

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

- (a) at such Meeting it is expressly resolved not to fill such vacated office, or a resolution for the re-election of such Director is put to the Meeting and lost; or
- (b) such Director has given notice in writing to the Company that he is unwilling to be re-

elected; or

(c) such Director has attained any retiring age applicable to him as Director.

Article 109

No person other than a retiring Director shall unless recommended by the Directors for election be eligible for election as a Director at any General Meeting unless he or some Member intending to propose him has at least eleven clear days before the meeting left at the Office a notice in writing duly signed by him giving his consent to the nomination and signifying his candidature or the intention of such Member to propose him Provided that in the case of a person recommended by the Directors for election nine clear days' notice only shall be necessary and notice of each and every candidate for election to the Board of Directors shall be served on all Members at least seven days prior to the Meeting at which the election is to take place.

Article 110

The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Act or by these Articles required to be exercised or done nevertheless to any regulations of these Articles, to the provisions of the Act, and to such regulations (not being inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Company in General Meeting but no regulations so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. Provided that the Directors shall not carry into effect any sale or proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

Article 111

The Directors may from time to time and at any time by power of attorney under the Seal appoint any company, firm or person or fluctuating body of persons, whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him and may from time to time revoke or withdraw such appointment or authorisation.

Article 112

The continuing Directors may act at any time notwithstanding any vacancy in their body Provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, the continuing Directors may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to summon a general meeting of the Company. If there are no Directors or Director able to or willing to act, then any two Members may summon a General Meeting for the purpose of appointing Directors.

Article 113

The Directors shall duly comply with the provisions of the Act, and particularly the provisions as

to registration and keeping copies of mortgages and charges, keeping of the Register of Members, keeping a Register of Directors and entering all necessary particulars therein, and sending a copy thereof or a notification of any changes therein to the Registrar of Companies, and sending to such Registrar an annual return, together with the certificates and the particulars required by the Act, notices as to increase of capital, returns of allotments and contracts relating thereto, copies of resolutions and agreements, and any other particulars connected with the above.

Article 114

The Directors may establish any local boards or agencies for managing any affairs of the Company, either in Singapore or elsewhere, any may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration and may delegate to any local board, manager or agent any of the powers, authorities and discretion vested in the Directors, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person acting in good faith and without notice of any such annulment or variation shall be effected thereby.

Article 115

All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

Article 116

The Directors shall have the power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to or to any person in respect of any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any subsidiary company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

Article 117

The Directors may meet together for the despatch of business adjourn, and otherwise regulate their meetings, as they think fit. The quorum necessary for the transaction of business may be fixed by the Directors, and unless so fixed shall be two. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote except when only two Directors are present and form a quorum or only two are competent to vote on the question at issue.

Article 118

The contemporaneous linking together by telephone or other methods of simultaneous communication by electronic means of a number of the Directors not less than quorum, wherever in the world they are, shall be deemed to constitute a meeting of the Directors so long as the following conditions are met:-

- (a) the Directors for the time being entitled to receive notice of any meeting of the Directors (including any alternate for any Director) shall be entitled to notice of any such meeting and to be linked by the relevant means for the purpose of such meeting. Notice of any such meeting may be given by telephone;

- (b) each of the Directors taking part must be able to hear each of the other Directors taking part subject as hereinafter mentioned throughout the meeting;
- (c) at the commencement of the meeting each Director must acknowledge his presence to all the other Directors taking part;
- (d) unless he has previously obtained the consent of the Chairman of the Meeting, a Director may not leave the meeting by disconnecting his telephone or otherwise and shall be conclusively presumed to have been present and to have formed part of the quorum throughout the meeting. The meeting shall be deemed to have been validly conducted notwithstanding that a Director's telephone is accidentally disconnected during the meeting, and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected.

Article 120

The Directors may from time to time elect a Chairman who shall preside at meetings of the Directors and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the Directors present shall choose one of their number to be the Chairman of that meeting.

Article 121

The Directors may delegate any or all of their powers to committees consisting of such member or members of their body as they think fit. Any committees so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

Article 123

A committee of Directors may meet and adjourn as its members think proper. Unless otherwise provided by the regulations imposed by the Directors in accordance with Article 121, questions arising at any meeting shall be determined by a majority of votes of the Members present and in the case of an equality of votes provided more than two Members present in person are competent to vote on the question at issue but not otherwise, the Chairman shall have the casting vote.

Article 124

All acts bona fide done by any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director shall, notwithstanding if it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified or not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

Article 125

The Directors shall cause proper minutes to be made of all the proceedings at the meetings of Directors and committees and of the attendances thereat, and of all business transacted at such meetings; and any such minute of any meeting (which shall include meetings of Directors by telephone or other methods of simultaneous communication by electronic means), if signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.

Article 126

A resolution in writing, signed or approved by a majority of the Directors for the time being shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held notwithstanding that such signing may take place at different times or places. Any such resolution may consist of several documents in like form, each signed by one or more Directors. The expressions "in writing" and "signed" include approvals by facsimile, telex, cable or telegram.

Article 127

Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor of the Company.

Article 128

The Secretary shall be appointed by the Directors for such time, at such remuneration and upon such conditions as the Directors think fit, and any Secretary so appointed may be removed by the Directors but without prejudice to any claim the Secretary may have for damages for any breach of any contract of service between him and the Company. The Directors may from time to time, by resolution appoint an assistant or deputy Secretary or a temporary substitute for the Secretary who shall be deemed to be the Secretary during the term of his appointment.

Article 129

The Directors shall provide for the safe custody of the Seal which shall not be used without the authority of the Directors or of a committee authorised by the Directors in that behalf. Every instrument to which the Seal shall be affixed shall be signed autographically or by facsimile by one Director and the Secretary or a second Director or some other person appointed by the Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures shall be dispensed with or affixed by some method of mechanical electronic signature or other method approved by the Directors. The Company may exercise the powers conferred by Section 41 and Section 124 of the Act with regard to having an official seal for use abroad and a duplicate common seal respectively, and such powers shall be exercised by the Directors.

Article 130

The Company may by ordinary resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors. The Directors may, if they think fit, from time to time declare and pay to the Members such interim dividends as appear to them to be justified by the position of the Company.

Article 131

Subject to the provisions hereinafter contained and to the preferential or other special rights for the time being attached to any preference shares or any other special class of shares, the profits of the Company which it shall from time to time determine by ordinary resolution to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up or credited as paid up thereon respectively. Provided that where capital is paid up on any shares in advance of calls such capital shall not whilst carrying interest confer a right to participate in profits.

Article 132

The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend either wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company in any one or more of such ways and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed, in order to adjust the rights of all Members, and may vest any such specific assets in trustees upon trust for the Members entitled to the dividend as may seem expedient to the Directors.

Article 133

The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund or reserve funds, which shall at the discretion of the Directors be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the Company, or for repairing or maintaining or improving any property, works, plants and machinery of the Company, or shall be, as to the whole or in part, application for equalising dividends, or for distribution by way of special dividend or bonus, or for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company, and pending such application the Directors may employ the sums from time to time to set apart as aforesaid in the business of the Company or invest the same in such securities, including the securities of the Company as they may select. The Directors may also from time to time carry forward such sums as they deem expedient in the interests of the Company.

Article 134

No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.

Article 135

The Directors may deduct from any dividend or other moneys including interests and expenses payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith whether such call shall have been made before or after the declaration of the dividend in question.

Article 136

The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.

Article 137

The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture.

Article 138

Any dividend, interest or other moneys payable in respect of shares may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of the member or person entitled thereto, or, if two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of the shares or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such person or persons may be writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding the provisions of this Article, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of such payment.

Article 139

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

Article 140

The Company may upon recommendation by the Directors at any time and from time to time in General Meeting pass a resolution that any sum not required for the payment or provision of any dividend, and (A) being any part of the undivided profits in the hands of the Company or (B) for the time being standing to the credit of any reserve fund or reserve account of the Company, including premiums received on the issue of any shares or debentures of the Company, and/or accretion to capital accruing on sale or shown by a valuation or revaluation of any property or assets of the Company, be capitalised and accordingly that the Directors be authorised and directed to appropriate, such sum as capital to and amongst the ordinary shareholders in the proportions in which they would have been entitled thereto if the same had been distributed by way of dividend on the ordinary shares, and in such manner as the resolution may direct, and such resolution shall be effective, and the Directors shall in accordance with such resolution apply such sum in paying up in full any unissued shares or debentures of the Company on behalf of the ordinary shareholders aforesaid, and appropriate such shares or debentures and distribute the same credited as fully paid up to and amongst such shareholders in the proportions aforesaid in satisfaction of the shares and interests of such shareholders in the paid capitalised sum or shall apply such sum or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued ordinary shares held by such shareholders or otherwise deal with such sum as directed by such resolution. Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid-up shares or debentures, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective.

Article 141

The Directors shall cause proper accounts to be kept:-

- (a) of the assets and liabilities of the Company;
- (b) of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place; and
- (c) of all sales and purchases of goods by the Company.

The books of account shall be kept at the Office, or at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors.

Article 143

- (1) The Directors shall in accordance with the provisions of the Act cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary made up to date not exceeding five months before such General Meeting or such other period as may be approved by any Exchange and/or required under the Act.
- (2) The interval between the close of a financial year of the Company and the issue of accounts relating to it shall not exceed five months or such other period as may be approved by any Exchange and/or required under the Act.

Article 144

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

Article 145

Subject to the provisions of the Act all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was, at the time of his appointment, not qualified for such appointment.

Article 146

The Auditors shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any Member is entitled to receive, and to be heard at any General Meeting on any part of the meeting which concerns him as Auditor.

Article 147

Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors, and the provisions of the Act and any modification or re-enactment thereof for the time being in force in regard to audit and Auditors shall be observed.

Article 148

A notice or any other document may be served by the Company upon any Member either

personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register of Members (as the case may be) the Depository Register.

Article 149

All notices directed to be given to the Members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Members or (as the case may be) the Depository Register with a registered address within Singapore, and any notice so given shall be sufficient notice to all the joint holders of such share. For such purposes, a joint holder having no registered address and not having supplied an address within The Republic of Singapore for the service of notices shall be disregarded.

Article 150

Any Member described in the Register of Members or (as the case may be) the Depository Register by an address not within The Republic of Singapore who shall from time to time give the Company an address within The Republic of Singapore at which notices may be served upon him, shall be entitled to have served upon at such address any notice to which he is entitled under these Articles.

Article 151

Notwithstanding Article 150 a Member who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices shall not be entitled to receive notices from the Company.

Article 152

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

Article 154

- (1) If the Company shall be wound up and the assets available for distribution among 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 winding-up on the share held by them respectively. And if in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed among the Members in proportion of the capital, at the commencement of the winding-up, paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

- (2) If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the asset shall consist of property of one kind or shall consists of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like sanction vest any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability
- (3) On the voluntary liquidation of the Company, no commission or fee shall be paid to a Liquidator unless it shall have been ratified by the Members. The amount of such payment shall be notified to all Members at least seven days prior to the meeting at which it is to be considered.

Article 156

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

Article 157

Where these Articles have been approved by any Exchange no provisions of these Articles shall be deleted, amended or added to without the prior written approval of such Exchange which had approved these Articles.

INNO-PACIFIC HOLDINGS LTD

(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Inno-Pacific Holdings Ltd (the "Company") will be held at 70 Shenton Way, #03-02 Marina House, Singapore 079118 on 28 March 2002 at 9:00a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution which will be proposed as a special resolution:-

SPECIAL RESOLUTIONS

Capital Reduction

1. THAT pursuant to Article 49 of the Existing Articles and subject to the confirmation of the High Court of the Republic of Singapore:-
 - (a) the capital of the Company be reduced from \$120,000,000.00 divided into 600,000,000 ordinary shares of \$0.20 each, of which 312,600,769 ordinary shares of \$0.20 each have been issued and are fully paid-up, or credited as fully paid-up, to \$120,000,000.00 divided into 12 billion ordinary shares of \$0.01 each, of which 312,600,769 ordinary shares of \$0.01 each will be issued and fully paid-up, or credited as fully paid-up, and that such reduction be effected by:-
 - (i) cancelling paid-up capital to the extent of \$0.19 on each of the 312,600,769 ordinary shares which have been issued and are fully paid-up, or credited as fully paid-up; and
 - (ii) reducing the share premium account of the Company from \$40,903,456.42 to \$22,277,018.91, i.e. by cancelling the sum of \$18,626,437.51 standing to the credit of the share premium account in the books of the Company; and
 - (iii) reducing the nominal amount of all ordinary shares, both issued and unissued, from \$0.20 to \$0.01; and
 - (iv) that forthwith upon the reduction of capital (the "Capital Reduction") taking effect, an amount which is equal to \$78,020,583.62, being the credit arising on the proposed Capital Reduction taking effect be applied in writing-off the accumulated losses of the Company; and
 - (b) subject to and contingent upon the Capital Reduction taking effect, the authorised ordinary share capital of the Company be increased to its former capital of \$120,000,000.00 by the creation of an additional 11,400,000,000 ordinary shares of \$0.01 each.

Adoption of New Articles

2. That the regulations contained in the new Articles of Association submitted to the Meeting and, for the purposes of identification, subscribed to by the Chairman thereof, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the Existing Articles of Association of the Company.

BY ORDER OF THE BOARD

Lee Koh Sing
Jennifer Lee Siew Jee
Company Secretaries

6 March 2002
Singapore

NOTES:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company and, where there are two proxies, the number of shares to be represented by each proxy must be stated.
2. The instrument appointing a proxy must be deposited at the registered office of the Company at 70 Shenton Way, #03-02 Marina House, Singapore 079118 not less than 48 hours before the time appointed for the Extraordinary General Meeting.

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INNO-PACIFIC HOLDINGS LTD
(Incorporated in the Republic of Singapore)

PROXY FORM

I/We _____ (Name)

of _____ (Address)

being a member/members of Inno-Pacific Holdings Ltd (the "Company"), hereby appoint:-

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings

and/or (delete as appropriate)

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or failing him, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held on 28 March 2002 at 9:00a.m. and at any adjournment thereof.

Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the Special Resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting.

	FOR	AGAINST
Special Resolution To approve the Capital Reduction		
Special Resolution To approve the adoption of the New Articles		

Dated this _____ day of _____ 2002.

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

Total number of shares in	No. of Shares
1. CDP Register	
2. Register of Members	

IMPORTANT: Please read the accompanying notes overleaf.

Notes:-

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be signed by the appointor or his duly authorised attorney or, if the appointor is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.
5. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative in accordance with the Articles of Association of the Company.
6. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company at 70 Shenton Way, #03-02 Marina House, Singapore 079118, not less than 48 hours before the time fixed for holding the meeting.
7. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the meeting, as certified by the CDP to the Company.