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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in doubt as to any aspect of this Circular, or as to the action to be taken, you should consult your stockbroker or a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all of your shares in the Company, you should immediately hand this Circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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### CHINA EVERBRIGHT WATER LIMITED

中國光大水務有限公司

*(Incorporated in Bermuda with limited liability)*

(Hong Kong Stock Code: 1857)

(Singapore Stock Code: U9E)

**PROPOSED RENEWAL OF GENERAL SHARE ISSUE MANDATE  
PROPOSED RENEWAL OF THE IPT MANDATE  
PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE  
PROPOSED RE-ELECTION OF RETIRING DIRECTOR  
PROPOSED RE-APPOINTMENT OF THE COMPANY'S AUDITOR  
PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
PROPOSED ADOPTION OF THE NEW BYE-LAWS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A Notice convening the 2023 AGM to be held at 9:30 a.m. (Singapore time) on Wednesday, 26 April 2023 is set out on pages 163 to 172 of this Circular. The form of proxy for use at the 2023 AGM is also enclosed with this Circular.

**The 2023 AGM will be convened, and will be held, via electronic means in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, and accordingly, the Shareholders will NOT be able to attend the 2023 AGM in person, and can only participate in the 2023 AGM via electronic means.** You must either appoint the Chairman of the 2023 AGM as your proxy or (in the case of a Depositor) nominate the appointment of the Chairman of the 2023 AGM as CDP's proxy to attend, speak and vote on your behalf at the 2023 AGM or pre-register as a Shareholder to exercise your voting rights at the 2023 AGM via electronic means.

If you wish to appoint the Chairman of the 2023 AGM as your proxy or (in the case of a Depositor) nominate the appointment of the Chairman of the 2023 AGM as CDP's proxy to attend, speak and vote at the 2023 AGM on your behalf, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon. For Singapore Shareholders, the Depositor Proxy Form appointing the Chairman of the 2023 AGM as proxy of CDP, duly completed, must be submitted by the Depositor in the following manner: (i) if submitted by post, by depositing the duly completed Depositor Proxy Form at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or (ii) if submitted electronically, by scanning and submitting the duly completed Depositor Proxy Form via email to the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at [CEWLAGM2023@boardroomlimited.com](mailto:CEWLAGM2023@boardroomlimited.com), in either case, at least 72 hours before the time for holding the 2023 AGM. For Hong Kong Shareholders, the instrument appointing the Chairman of the 2023 AGM as proxy must be submitted in the following manner: (i) if submitted by post, by depositing the duly completed proxy form with the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F., 148 Electric Road, North Point, Hong Kong; or (ii) if submitted electronically, by scanning and submitting the duly completed proxy form via email to the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at [srinfo.hk@boardroomlimited.com](mailto:srinfo.hk@boardroomlimited.com), in either case, at least 72 hours before the time for holding the 2023 AGM. **Shareholders are strongly encouraged to scan and submit the completed proxy forms electronically via email.**

21 March 2023

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## DEFINITIONS

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*In this Circular, the following expressions have the following meanings unless the context requires otherwise:*

“Amendments”	the proposed amendments to the Bye-laws as set out in Appendix 2 of this Circular
“Audit Committee”	the audit committee of the Company
“Bermuda Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as amended from time to time
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“CDP”	The Central Depository (Pte) Limited
“Circular”	the definitions, the letter from the Board, the appendices to the letter from the Board and the Notice
“Close Associate(s)”	has the following meaning as ascribed to it under the SEHK Listing Rules:  (a) in relation to an individual:  (i) his spouse;  (ii) any child or step-child, natural or adopted, under the age of 18 years of the individual or of his spouse (together with (a)(i) above, the “ <b>family interests</b> ”);  (iii) the trustees, acting in their capacity as trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object; and

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- (iv) any company in the equity capital of which he, his family interests, and/or any of the trustees referred to in (a)(iii) above, acting in their capacity as such trustees, taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or any amount specified in the Hong Kong Takeovers Code as the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any subsidiary of this company; and
  
- (b) in relation to a company:
  - (i) its subsidiary or holding company or a fellow subsidiary of its holding company;
  
  - (ii) the trustees, acting in their capacity as trustees, of any trust of which the company is a beneficiary or, in the case of a discretionary trust, is (to the company's knowledge) a discretionary object; and
  
  - (iii) any other company in the equity capital of which the company, its subsidiary or holding company, a fellow subsidiary of its holding company, and/ or any of the trustees referred to in (b)(ii) above, acting in their capacity as such trustees, taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or any amount specified in the Hong Kong Takeovers Code as the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any subsidiary of this other company;

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	<p>(c) a depository acting in its capacity as a depository for depository receipts, is not treated as a close associate of holders of the depository receipts for the purposes of (a) and (b) merely because it is holding the shares of the issuer for the benefit of the holders of the depository receipts</p>
“Company”	China Everbright Water Limited (中國光大水務有限公司), an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Mainboard of the SGX-ST and the Main Board of the SEHK
“Core Connected Person”	has the following meaning as ascribed to it under the SEHK Listing Rules and, for the purpose of the Company being a company other than a PRC issuer or any subsidiary of a PRC issuer, means a director, chief executive or substantial shareholder of the company or any of its subsidiaries or a close associate of any of them
“Depositor”	an account holder, being a person who has an account directly with the Depository, or a depository agent, but does not include a sub account holder, being a holder of an account maintained with a depository agent
“Depositor Proxy Form”	the enclosed depositor proxy form in respect of the 2023 AGM
“Depository”	CDP
“Depository Agent”	<p>a member of the SGX-ST, a trust company (licensed under the Trust Companies Act 2005), a bank licensed under the Banking Act 1970, any merchant bank licensed under the Banking Act 1970 or any other person or body approved by the Depository who or which:</p> <p>(a) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between the Depository and the Depository Agent;</p> <p>(b) deposits book-entry securities with the Depository on behalf of the sub-account holders; and</p>

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	(c) establishes an account in its name with the Depository
“Depository Register”	a register maintained by the Depository in respect of book-entry securities
“Designated Stock Exchange”	SGX-ST for so long as the Shares are listed or quoted on SGX-ST, the SEHK for so long as the Shares are listed on the SEHK and/or such other stock exchange which is an appointed stock exchange for the purposes of Bermuda Companies Act in respect of which the Shares are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company
“Director(s)”	the director(s) of the Company
“Entity At Risk Group”	<ul style="list-style-type: none"><li>(i) the Company;</li><li>(ii) subsidiaries of the Company (excluding subsidiaries listed on the SGX-ST or an approved exchange); and</li><li>(iii) associated companies of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Group, or the Group and interested person(s) of the Company has or have control</li></ul>
“Everbright Environment”	China Everbright Environment Group Limited (中國光大環境(集團)有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the SEHK (stock code: 257), the Company’s controlling Shareholder
“Everbright Environment Group”	Everbright Environment and its subsidiaries, including the Group
“Everbright Greentech”	China Everbright Greentech Limited (中國光大綠色環保有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the SEHK (Stock Code: 1257), a subsidiary of Everbright Environment

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## DEFINITIONS

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“FY2022 Annual Report”	annual report of the Company for the financial year ended 31 December 2022
“FY2022 Results”	audited consolidated financial statements of the Group for the financial year ended 31 December 2022
“General Mandate”	a general and unconditional mandate to allot, issue or deal with Shares subject to and in accordance with the terms of the mandate
“Group”	the Company and its subsidiaries and, where the context requires, in respect of the period before the Company became the holding company of any of its present subsidiaries, such present subsidiaries of the Company, the businesses carried on by such subsidiaries and (as the case may be) their predecessors
“HKEX”	Hong Kong Exchange and Clearing Limited
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or modified from time to time by the Securities and Futures Commission of Hong Kong
“Independent Non-executive Directors”	Mr. Zhai Haitao, Mr. Lim Yu Neng Paul, Ms. Cheng Fong Yee and Ms. Hao Gang
“Instruments”	offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares
“IPT Mandate”	the general mandate to enable the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the SGX-ST Listing Manual) to enter into certain interested person transactions with the interested persons as set out in the IPT Mandate

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## DEFINITIONS

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“Latest Practicable Date”	9 March 2023, being the latest practicable date prior to the printing of this Circular for ascertaining certain information contained herein
“Mandated IPTs”	<p>the following categories of transactions (details of which are set out in paragraph 6.1 of Appendix 1 to this Circular):</p> <ul style="list-style-type: none"><li>(a) general transactions in connection with the provision or obtaining of products and services in the normal course of business, including those relating to the environmental activities, insurance activities and the leasing, rental or management of properties;</li><li>(b) treasury transactions involving the placement of funds or deposits, the borrowing of funds, the entry into forex, swap and option transactions, the issue of debt securities, the receipt of underwriting and advisory services and the receipt of fund management services; and</li><li>(c) the receipt or provision of management and support services</li></ul>
“Market Day(s)”	day(s) on which the SGX-ST or the SEHK (as the case may be) is open for trading in securities
“Market Purchases”	purchase or acquisition of Shares by the Company effected on the SGX-ST or the SEHK (as the case may be), through one or more duly licensed stockbrokers appointed by the Company for the purpose
“Maximum Price”	maximum purchase price to be paid for the Shares as determined by the Directors
“Ms. Hao”	Ms. Hao Gang (郝剛), an independent non-executive Director of the Company, who will retire as Director and will be nominated for re-election at the 2023 AGM
“Nominating Committee”	the nominating committee of the Board
“Notice”	the notice of the annual general meeting of the Company dated 21 March 2023 convening the 2023 AGM

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“Off-Market Purchases”	purchase or acquisition of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders
“PRC”	the People’s Republic of China
“Relevant Independent Directors”	Mr. Lim Yu Neng Paul, Ms. Cheng Fong Yee and Ms. Hao Gang, being the Directors who are considered independent for the purposes of the renewal of the IPT Mandate
“SEHK”	The Stock Exchange of Hong Kong Limited
“SEHK Listing Rules”	the Rules Governing the Listing of Securities on the SEHK
“SFA”	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended or modified from time to time
“SG Take-over Code”	the Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“SGX-ST”	Singapore Exchange Securities Trading Limited
“SGX-ST Listing Manual”	listing manual of the SGX-ST
“Share(s)”	the ordinary share(s) of the Company
“Share Buy-back Mandate”	the mandate to enable the Company to purchase or otherwise acquire its Shares
“Share Premium Account”	the share premium account of the Company

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## DEFINITIONS

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“Shareholder(s)”	the registered holder(s) of the Share(s), except where (a) the registered holder is CDP, the term “Shareholder(s)” shall, in relation to the Shares held by CDP, mean the persons named as Depositors in the Depository Register maintained by CDP and whose securities accounts are credited with the Shares; and (b) the registered holder is HKSCC Nominees Limited, the term “Shareholder(s)” shall, in relation to the Shares held by HKSCC Nominees Limited, mean the depositors whose securities accounts are maintained by HKSCC or other licensed securities dealers or registered institutions in securities, or custodian banks through CCASS, and the term “Shareholder(s)” shall be construed accordingly
“Singapore”	the Republic of Singapore
“Singapore Companies Act”	the Companies Act 1967 of Singapore, as amended or modified from time to time
“S\$” or “Singapore dollar(s)”	Singapore dollar(s), the lawful currency of Singapore
“SSE”	Shanghai Stock Exchange
“subsidiary holdings”	Shares held by subsidiaries of the Company in the circumstances referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Singapore Companies Act
“Substantial Shareholder”	in relation to the Company, a person who has an interest in one or more voting shares included in one of the classes of shares in the Company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares included in that class, as defined in the SFA
“2022 AGM”	the annual general meeting of the Company held on 26 April 2022
“2022 Letter”	letter to Shareholders dated 22 March 2022
“2023 AGM”	the annual general meeting of the Company to be convened at 9:30 a.m. on Wednesday, 26 April 2023
“%”	per cent

*Should there be any discrepancy between the English and Chinese versions of this Circular, the English version shall prevail.*

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LETTER FROM THE BOARD

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**CHINA EVERBRIGHT WATER LIMITED**

**中國光大水務有限公司**

*(Incorporated in Bermuda with limited liability)*

(Hong Kong Stock Code: 1857)

(Singapore Stock Code: U9E)

*Executive Directors:*

Mr. Hu Yanguo (*Chairman*)

Mr. Tao Junjie (*Chief Executive Officer*)

Mr. Luo Junling

*Independent Non-Executive Directors:*

Mr. Zhai Haitao

Mr. Lim Yu Neng Paul

Ms. Cheng Fong Yee

Ms. Hao Gang

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Principal Place of*

*Business in Hong Kong:*

Room 3601, 36/F

Far East Finance Centre

16 Harcourt Road

Hong Kong

21 March 2023

*To: The Shareholders*

Dear Sir/Madam

**1. INTRODUCTION**

**1.1** We refer to:

**1.1.1** the Notice;

**1.1.2** Ordinary Resolution No. 4 relating to the re-election of Ms. Hao as a Director, as proposed in the Notice;

**1.1.3** Ordinary Resolution No. 5 relating to the re-appointment of Ernst & Young LLP as auditor of the Company, as proposed in the Notice;

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## LETTER FROM THE BOARD

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*1.1.4* Ordinary Resolution No. 6 relating to the proposed renewal of the General Mandate, as proposed in the Notice;

*1.1.5* Ordinary Resolution No. 8 relating to the proposed renewal of the Share Buy-back Mandate, as proposed in the Notice;

*1.1.6* Ordinary Resolution No. 9 relating to the proposed renewal of the IPT Mandate, as proposed in the Notice; and

*1.1.7* Special Resolution No. 10 relating to the proposed amendments to the Bye-laws and adoption of a new set of Bye-laws, as proposed in the Notice.

**1.2 Circular to Shareholders.** The purpose of this Circular is to provide Shareholders with information relating to Ordinary Resolutions No. 4, 5, 6, 8, 9 and Special Resolution No. 10 proposed in the Notice.

**1.3 SGX-ST.** The SGX-ST takes no responsibility for the accuracy of any statements made, opinions expressed or reports contained in this Circular.

**1.4 SEHK.** HKEX and the SEHK take no responsibility for the contents of this Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents in this Circular.

**1.5 Legal Adviser.** With regard to the matters contemplated in this Circular, Allen & Gledhill LLP is the Singapore legal adviser to the Company and Li & Partners is the Hong Kong legal adviser to the Company.

**1.6 Advice to Shareholders.** Shareholders who are in any doubt as to the course of action should consult their stockbroker or a licensed securities dealer, bank manager, solicitor, accountant or other professional advisers immediately.

## **2. THE PROPOSED RENEWAL OF SHARE ISSUE GENERAL MANDATE**

An ordinary resolution as set out in the Notice will be proposed at the 2023 AGM, pursuant to the Bye-laws, the SGX-ST Listing Manual and the SEHK Listing Rules, to seek the approval of the Shareholders to authorise and empower the Directors to:

- (a) (i) allot and issue new Shares in the capital of the Company, whether by way of rights, bonus or otherwise;

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## LETTER FROM THE BOARD

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- (ii) make or grant Instruments including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares; and/or
- (iii) issue additional instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issue; and

at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit;

- (b) (notwithstanding that the authority conferred by the Shareholders may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Board while the authority was in force, provided always that, subject to any applicable regulations as may be prescribed by the SGX-ST and the SEHK,

- (i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued Shares excluding treasury shares of the Company, of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to existing Shareholders does not exceed 20% of the total number of issued Shares excluding treasury shares of the Company, and for the purpose of this resolution, the issued Shares shall be the Company's total number of issued Shares excluding treasury shares at the time this resolution is passed, after adjusting for:

- (a) new Shares arising from the conversion or exercise of any convertible securities outstanding or subsisting at the date of the general meeting where the share issue mandate is approved;
- (b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual and Chapter 17 of the SEHK Listing Rules; and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares;

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## LETTER FROM THE BOARD

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- (ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the SGX-ST Listing Manual as amended from time to time (unless such compliance has been waived by the SGX-ST), the SEHK Listing Rules as amended from time to time (unless such compliance has been waived by the SEHK) and the Bye-laws; and
- (iii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

Notwithstanding the above, it must be noted that the SEHK Listing Rules provide that the General Mandate obtained from Shareholders in a general meeting shall be subject to a restriction that the aggregate number of Shares allotted or agreed to be allotted and issued under the General Mandate must not exceed 20% of the existing issued Shares. The Company will comply with the requirements under the SEHK Listing Rules or the SGX-ST Listing Manual for matters relating to the General Mandate, whichever is more onerous.

As at the Latest Practicable Date, the Company had 2,860,876,723 Shares in issue and the maximum number of new Shares that can be allotted and issued (regardless of whether the Shares are issued to the Shareholders on a pro-rata basis) is 572,175,344 Shares, being 20% of the Shares in issue (assuming no Share is allotted and issued or repurchased after the Latest Practicable Date and up to the passing of the relevant resolution).

The grant of the General Mandate will provide flexibility to the Directors to allot and issue new Shares when it is in the interest of the Company.

### 3. THE PROPOSED RENEWAL OF THE IPT MANDATE

**3.1 Background.** At the 2022 AGM, Shareholders had approved the renewal of the IPT Mandate. Particulars of the IPT Mandate were set out in the Appendix 1 to the 2022 Letter.

The IPT Mandate which was renewed at the 2022 AGM was expressed to continue in force until the next annual general meeting of the Company and, as such, will be expiring on 26 April 2023, being the date of the 2023 AGM. Accordingly, Shareholders' approval is being sought for the renewal of the IPT Mandate at the 2023 AGM, to take effect until the conclusion of the next annual general meeting of the Company which is scheduled to be held in 2024.

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## LETTER FROM THE BOARD

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**3.2 Rationale.** It is envisaged that in the ordinary course of their businesses, transactions between companies in the Entity At Risk Group and the Company's interested persons are likely to occur from time to time. Such transactions are necessary for the day-to-day operations of the Entity At Risk Group and would include, but are not limited to, the provision of goods, facilities and services in the ordinary course of business of the Entity At Risk Group to the Company's interested persons or the obtaining of goods, facilities and services from them.

In particular, China Everbright Group Ltd., the Company's indirect controlling shareholder, is a major financial holding group in China, with business presence in various industries and sectors. Its business areas include, amongst others, banking, securities, insurance, funds, trusts, futures, leasing, investment, environmental protection, hospitalism and pharmaceutical. The Entity At Risk Group may leverage China Everbright Group Ltd.'s and its associates' wide spectrum of businesses and rich resources to support its future development. Some of China Everbright Group Ltd.'s major subsidiaries include:

- (a) Everbright Environment, a one-stop integrated environmental solution provider listed on the SEHK;
- (b) China Everbright Limited, an investment holding company principally engaged in fund management and investment business and listed on the SEHK;
- (c) China Everbright Bank Company Limited, a commercial bank listed on the SSE and the SEHK;
- (d) Everbright Securities Company Limited, a securities brokerage company listed on the SSE and the SEHK; and
- (e) Sun Life Everbright Life Insurance Co., Ltd., an insurance company which has branches in various provinces and municipalities in China.

In view of the time-sensitive nature of commercial transactions, the renewal of the IPT Mandate pursuant to Chapter 9 of the SGX-ST Listing Manual will enable the Entity At Risk Group, or any of them, in the ordinary course of their businesses, to enter into the Mandated IPTs with the Company's interested persons set out in paragraph 5.1 of Appendix 1 to this Circular, provided such Mandated IPTs are made on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders.

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## LETTER FROM THE BOARD

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**3.3 Benefit to Shareholders.** The IPT Mandate (and its subsequent renewal thereafter on an annual basis) will enhance the ability of companies in the Entity At Risk Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the relevant company in the Entity At Risk Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives.

**3.4 Terms of the IPT Mandate.** The IPT Mandate, including the review procedures for determining transaction prices and other general information relating to Chapter 9 of the SGX-ST Listing Manual, is set out in Appendix 1 to this Circular. The terms of the IPT Mandate which is sought to be renewed remain unchanged.

**3.5 Audit Committee's Statement.** The Audit Committee (save for Mr. Zhai Haitao), comprising Mr. Lim Yu Neng Paul, Ms. Cheng Fong Yee and Ms. Hao, confirms that:

- (a) the methods or procedures for determining the transaction prices under the IPT Mandate have not changed since the 2022 AGM; and
- (b) the methods or procedures referred to in paragraph 3.5(a) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

#### 4. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

**4.1 Background.** At the 2022 AGM, Shareholders had approved the renewal of the Share Buy-back Mandate. The authority and limitations of the Share Buy-back Mandate were set out in the 2022 Letter and the ordinary resolution in the notice of the 2022 AGM. The Share Buy-back Mandate approved at the 2022 AGM was expressed to continue in force until the next annual general meeting of the Company and, as such, will be expiring on 26 April 2023, being the date of the 2023 AGM. Accordingly, Shareholders' approval is being sought for the renewal of the Share Buy-back Mandate at the 2023 AGM.

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## LETTER FROM THE BOARD

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**4.2 Market Purchases.** As at the Latest Practicable Date, the Company had not purchased or acquired any Shares by way of Market Purchases in the preceding 12 months pursuant to the Share Buy-back Mandate approved by Shareholders at the 2022 AGM.

**4.3 Rationale.** The Share Buy-back Mandate will give the Company the flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period that the Share Buy-back Mandate is in force. Share purchases or acquisitions allow the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity.

It should be noted that the purchase or acquisition of Shares pursuant to the Share Buy-back Mandate will only be undertaken if it can benefit the Company and Shareholders. No purchase or acquisition of Shares will be made in the circumstances which would have or may have a material adverse effect on the financial position of the Group, and/or affect the listing status of the Company on the SGX-ST or the SEHK. In addition, any purchase or acquisition of its Shares has to be made in accordance with, and in the manner prescribed by the Bermuda Companies Act, the Bye-laws, the SGX-ST Listing Manual, the SEHK Listing Rules and such other laws and regulations as may, for the time being, be applicable.

**4.4 Authority and Limitations.** The authority and limitations on the purchase or acquisition of Shares by the Company under the Share Buy-back Mandate are summarised below.

### **4.4.1 Maximum number of Shares**

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buy-back Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares and any subsidiary holdings) as at the date of the 2023 AGM. Under the SGX-ST Listing Manual, treasury shares and subsidiary holdings are to be disregarded for purposes of computing the 10% limit.

As at the Latest Practicable Date, no Shares were held as treasury shares and there are no subsidiary holdings. Purely for illustrative purposes, on the basis that the total number of issued Shares is 2,860,876,723 as at the Latest Practicable Date and assuming that between the Latest Practicable Date and the date of the 2023 AGM (i) no new Shares are issued, (ii) no Shares are held as treasury shares, and (iii) no Shares are subsidiary holdings, then not more than 286,087,672 Shares (representing 10% of the total number of issued Shares as at the approval date) may be purchased or acquired by the Company pursuant to the Share Buy-back Mandate.

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## LETTER FROM THE BOARD

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### ***4.4.2 Duration of authority***

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2023 AGM, at which the Share Buy-back Mandate is approved, up to:

- (i) the date (being a date after the 2023 AGM) on which the next annual general meeting of the Company is held or required by law to be held;
- (ii) the date (being a date after the 2023 AGM) on which the authority conferred by the Share Buy-back Mandate is revoked or varied by the Company in a general meeting; or
- (iii) the date (being a date after the 2023 AGM) on which purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated,

whichever is the earliest.

### ***4.4.3 Manner of purchase or acquisition of Shares***

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

- (i) Market Purchases; and/or
- (ii) Off-Market Purchases.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-back Mandate, the SGX-ST Listing Manual, the SEHK Listing Rules, the Bermuda Companies Act and the Bye-laws, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. As required under the SGX-ST Listing Manual, an Off-Market Purchase must, however, also satisfy all the following conditions prescribed by the Singapore Companies Act:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers shall be the same, except that there shall be disregarded:
  - (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

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## LETTER FROM THE BOARD

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- (2) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
- (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the SGX-ST Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain, *inter alia*, the following information:

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

#### **4.4.4 Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the Maximum Price must not exceed:

- (i) in the case of a Market Purchase, 5% above the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase, 5% above the Average Closing Price,

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in either case, excluding related expenses of the purchase or acquisition. For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five Market Days on which the Shares were transacted on the SGX-ST or the SEHK (as the case may be), before the date of the Market Purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the SGX-ST Listing Manual or the SEHK Listing Rules (as the case may be) for any corporate action which occurs during the relevant five-day period and the day on which the purchases are made; and

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

#### **4.4.5 Solvency Test**

Under the Bermuda Companies Act, no purchase by the Company of its own shares may be effected if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

**4.5 Status of Purchased or Acquired Shares.** Under Bermuda Companies Act, the Shares purchased or acquired by the Company shall be treated as cancelled immediately upon purchase or acquisition, unless such Shares are held continuously since they were purchased or acquired by the Company as treasury shares. Upon cancellation of the Shares, the total issued capital of the Company will be diminished by the nominal value of the Shares purchased or acquired by the Company. The Shares purchased or acquired by the Company shall not be taken as reducing the amount of the Company’s authorised share capital.

**4.6 Treasury Shares.** As at the Latest Practicable Date, the Company does not hold any treasury shares.

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## LETTER FROM THE BOARD

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**4.7 Source of Funds.** In purchasing or acquiring Shares pursuant to the Share Buy-back Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Bye-laws and applicable laws. Under the Bermuda Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the capital paid up thereon or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase or acquisition. The premium, if any, payable on repurchase or acquisition of Shares, is to be provided for out of funds of the Company which would otherwise be available for dividend or distribution or out of the Share Premium Account before the Shares are repurchased or acquired. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The Directors do not propose to exercise the Share Buy-back Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Group.

**4.8 Financial Effects.** The financial effects on the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buy-back Mandate will depend on, *inter alia*, the manner in which the purchase or acquisition is funded, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time. The financial effects on the Group based on the FY2022 Results are based on the assumptions set out below.

**4.8.1 Manner in which the Purchase or Acquisition is Funded**

Under the Bermuda Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the capital paid up thereon or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase or acquisition. The premium, if any, payable on repurchase or acquisition of Shares, is to be provided for out of funds of the Company which would otherwise be available for dividend or distribution or out of the Share Premium Account before the Shares are repurchased or acquired.

Where any payment made by the Company in consideration of the purchase or acquisition of Shares is made out of the capital paid up thereon or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase or acquisition, the amount available for declaration and payment of cash dividends by the Company will not be reduced.

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## LETTER FROM THE BOARD

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Where any payment made by the Company in consideration of the purchase or acquisition of Shares is made out of funds of the Company which would otherwise be available for dividend or distribution, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for declaration and payment of cash dividends by the Company.

### **4.8.2 Maximum Price Paid for Shares Acquired or Purchased**

Based on 2,860,876,723 issued Shares as at the Latest Practicable Date, the purchase by the Company of 10% of such Shares will result in the purchase or acquisition of 286,087,672 Shares.

Assuming that the Company purchases or acquires the 286,087,672 Shares on the SGX-ST at the Maximum Price on the Latest Practicable Date, the maximum amount of funds required is approximately:

- (i) in the case of Market Purchases, S\$63,797,551 based on S\$0.223 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST over the last five Market Days preceding the Latest Practicable Date); and
- (ii) in the case of Off-Market Purchases, S\$63,797,551 based on S\$0.223 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST over the last five Market Days preceding the Latest Practicable Date).

### **4.8.3 For illustrative purposes only, on the basis of the assumptions set out above as well as the following:**

- (i) the Share Buy-back Mandate had been effective on 1 January 2022;
- (ii) the purchase of Shares took place at the beginning of the financial year on 1 January 2022;
- (iii) there was no issuance of Shares after the Latest Practicable Date; and
- (iv) the Share purchases were funded by internal resources and/or external borrowings,

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the financial effects on the FY2022 Results would have been as follows:

*Purchases made equally out of profits (5%) and capital (5%) and all cancelled<sup>(1)</sup>*

	GROUP		COMPANY	
	Before		Before	
	Share	After Share	Share	After Share
	Buy-back	Buy-back	Buy-back	Buy-back
	HK\$'000	HK\$'000 <sup>(2)</sup>	HK\$'000	HK\$'000 <sup>(2)</sup>
<b>As at 31 December 2022</b>				
Shareholders' Funds <sup>(3)</sup>	10,967,490	10,587,930	10,154,604	9,775,044
Net Asset Value	13,000,878	12,621,318	10,961,586	10,582,026
Total Assets	33,446,151	33,435,096	20,514,403	20,503,348
Total Liabilities	20,445,273	20,813,778	9,552,817	9,921,322
Total Borrowings <sup>(4)</sup>	15,262,135	15,630,640	9,406,937	9,775,442
Profit Attributable to Equity Holders <sup>(5)</sup>	1,010,565	999,510	229,491	218,436
<b>Number of Shares ('000)</b>				
Issued and Paid-up Share Capital	2,860,877	2,574,789	2,860,877	2,574,789
Weighted Average Number of Issued and Paid-up Shares	2,860,877	2,574,789	2,860,877	2,574,789
<b>Financial Ratios</b>				
Net Asset Value per Share (HK\$)	3.83	4.11	3.55	3.80
Earnings per Share (HK\$)	0.353	0.388	n.m. <sup>(6)</sup>	n.m. <sup>(6)</sup>
Gearing Ratio <sup>(7)</sup>	61%	62%	47%	48%

Notes:

- (1) The disclosed financial effects remain the same irrespective of whether the purchase of Shares is made by way of Market Purchases or Off-Market Purchases.
- (2) Assumes that the Company purchases the maximum limit of 286,087,672 Shares at the Maximum Price of S\$0.223 per Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST over the last five Market Days preceding the Latest Practicable Date).
- (3) "Shareholders' Funds" means the aggregate amounts of Share Capital, share premium, foreign currency translation reserve, statutory reserve, contributed surplus reserve, other reserves and retained earnings.
- (4) "Total Borrowings" means short term and long term borrowings.
- (5) "Profit Attributable to Equity Holders" after Share Buy-back has been adjusted by the notional interest expense incurred at the interest rate of 3% per annum less taxation.

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(6) “n.m.” means not meaningful.

(7) “Gearing Ratio” represents the ratio of total liabilities to total assets.

**SHAREHOLDERS SHOULD NOTE THAT THE FOREGOING FINANCIAL EFFECTS ARE BASED ON THE FY2022 RESULTS AND THE ABOVE ASSUMPTIONS AND ARE FOR ILLUSTRATION ONLY. THE FY2022 RESULTS MAY NOT BE REPRESENTATIVE OF FUTURE PERFORMANCE.**

It should be noted that although the Share Buy-back Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10%. In addition, the Shares purchased or acquired by the Company shall be treated as cancelled immediately or be held by the Company as treasury shares upon purchase or acquisition. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share purchase before execution.

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

**4.10 Listing Status of the Shares under the SGX-ST Listing Manual and the SEHK Listing Rules.** The SGX-ST Listing Manual requires a listed company to ensure that at least 10% of the total number of its issued shares (excluding treasury shares, subsidiary holdings, preference shares and convertible equity securities) in a class that is listed is held by public shareholders at all times.

As at the Latest Practicable Date, approximately 27.05% of the total number of Shares are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases and/or Off-Market Purchases up to the full 10% limit pursuant to the Share Buy-back Mandate without affecting the listing status of the Shares on the SGX-ST. The Company will consider investor interests when maintaining a liquid market in its securities and will ensure that there is a sufficient float for an orderly market in its securities when purchasing its Shares.

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### *Under the SEHK Listing Rules*

The SEHK Listing Rules prohibit a company from making repurchase on the SEHK if the result of the repurchase leads to less than 25% (or such other prescribed minimum percentage as determined by the SEHK) of the issued Shares to be held in public hands. The Company has no present intention to exercise the Share Buy-back Mandate to such extent which would otherwise result in the number of Shares being held by the public falling below such minimum requirement.

An issuer shall not purchase its shares on the SEHK at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the SEHK in accordance with the SEHK Listing Rules) for the approval of the issuer's results for any year, half-year, quarterly or any other interim period (whether or not required under the SEHK Listing Rules); and (b) the deadline for the issuer to announce its results for any year or half-year under the SEHK Listing Rules, or quarterly or any other interim period (whether or not required under the SEHK Listing Rules), and ending on the date of the results announcement, the issuer may not purchase its shares on the SEHK, unless the circumstances are exceptional. Further, an issuer shall not knowingly purchase its shares from a Core Connected Person and a Core Connected Person shall not knowingly sell shares to the issuer, on the SEHK.

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

**4.11 SGX-ST Listing Manual.** The SGX-ST Listing Manual restricts a listed company from purchasing shares by way of market purchases at a price per share which is more than 5% above the "average closing price", being the average of the closing market prices of the shares over the last five Market Days on which transactions in the shares were recorded, before the day on which the purchases were made, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made. The Maximum Price for a Share in relation to Market Purchases referred to in paragraph 4.4.4(i) above complies with this requirement. Although the SGX-ST Listing Manual does not prescribe a maximum price in relation to purchases of shares by way of off-market purchases, the Company has set a cap of 5% above the Average Closing Price as the maximum price for a Share to be purchased or acquired by way of an Off-Market Purchase.

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## LETTER FROM THE BOARD

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The Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-back Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period commencing one month before the announcement of the Company's half year and full year results.

**4.12 Reporting Requirements.** The SGX-ST Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and (ii) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer. Such announcement (which must be in the form prescribed by the SGX-ST Listing Manual) must include details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of shares excluding treasury shares and subsidiary holdings, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

Under the SEHK Listing Rules, after a listed issuer has made a purchase of its shares whether on the SEHK or otherwise, the listed issuer shall:

- (a) submit for publication to the SEHK not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase or acquisition of shares (whether on the SEHK or otherwise), the total number of shares purchased or acquired by the issuer on the previous day, the purchase price per share or the highest and lowest prices paid for such purchases or acquisitions of shares which were made on the SEHK were made in accordance with the SEHK Listing Rules and if the issuer's primary listing is on the SEHK, that there have been no material changes to the particulars contained in the explanatory statement issued by the listed issuer in relation to the mandate pursuant to which such purchase or acquisition of shares is made. In respect of purchases or acquisitions of shares made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the SEHK may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the SEHK; and

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## LETTER FROM THE BOARD

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- (b) include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the SEHK or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The section headed “Directors’ Statement” in the annual report shall contain reference to the purchases made during the year and the reasons for making such purchases.

**4.13 Take-over Implications under the SG Take-over Code.** Appendix 2 of the SG Take-over Code contains the Share Buy-back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

**4.13.1 *Obligation to make a Take-over Offer***

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

**4.13.2 *Persons Acting in Concert***

Under the SG Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

In addition, under the SG Take-over Code, certain persons are presumed to be acting in concert with each other, unless the contrary is established. For example, the following individuals and companies will be presumed to be acting in concert with each other:

- (i) the following companies:
- (a) a company;
  - (b) the parent company of (a);
  - (c) the subsidiaries of (a);
  - (d) the fellow subsidiaries of (a);

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## LETTER FROM THE BOARD

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- (e) the associated companies of any of (a), (b), (c) or (d);
  - (f) companies whose associated companies include any of (a), (b), (c), (d) or (e); and
  - (g) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

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

### ***4.13.3 Effect of Rule 14 and Appendix 2 of the SG Take-Over Code***

In general terms, the effect of Rule 14 and Appendix 2 of the SG Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between (and including) 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the SG Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the SG Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between (and including) 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-back Mandate.

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## LETTER FROM THE BOARD

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Based on the interests of the Substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date as set out in paragraph 5.3 below, none of the Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the SG Take-over Code as a result of the purchase by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

#### **4.14 Take-over Implications under the Hong Kong Takeovers Code**

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Share Buy-back Mandate, such an increase will be treated as an acquisition for the purpose of Rule 32 of the Hong Kong Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Hong Kong Takeovers Code. As at the Latest Practicable Date, the Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Hong Kong Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Share Buy-back Mandate.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, so far as the Directors are aware, the following Shareholders are interested in 5% or more of the Shares then in issue:

Name of Substantial Shareholders	Nature of Interest	Number of Shares interested	Approximate percentage of shareholdings in the Company as at the Latest Practicable Date	Approximate percentage of shareholdings in the Company after the Directors exercise in full the power to purchase or acquire the Shares <i>(Note)</i>
China Everbright Water Holdings Limited	Beneficial interest	2,084,724,572	72.87	80.97
Everbright Environment	Interests in controlled corporation	2,084,724,572	72.87	80.97
Guildford Limited	Interests in controlled corporation	2,084,724,572	72.87	80.97
China Everbright Holdings Company Limited	Interests in controlled corporation	2,084,724,572	72.87	80.97
China Everbright Group Ltd.	Interests in controlled corporation	2,084,724,572	72.87	80.97
Central Huijin Investment Ltd.	Interests in controlled corporation	2,084,724,572	72.87	80.97

*Note:* The Company has no present intention to exercise the Share Buy-back Mandate to such extent which would otherwise result in takeover obligations under the Hong Kong Takeovers Code or the number of Shares being held by the public falling below the minimum requirement as prescribed by the SEHK, which is currently 25% of the entire issued share capital of the Company.

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## LETTER FROM THE BOARD

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SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE SG TAKE-OVER CODE OR THE HONG KONG TAKEOVERS CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL OF SINGAPORE AND THE SECURITIES AND FUTURES COMMISSION OF HONG KONG AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

### **4.15 General and Director's undertaking**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their Close Associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Share Buy-back Mandate is approved at the 2023 AGM.

No Core Connected Person has notified the Company that he/she has a present intention to sell any Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares when the Share Buy-back Mandate is approved and exercised.

The Directors have undertaken to the SEHK that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Share Buy-back Mandate in accordance with the SEHK Listing Rules and applicable laws of Singapore, and in accordance with the regulations set out in the Bye-laws.

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## LETTER FROM THE BOARD

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### 4.16 Share Prices

The highest and lowest prices at which the Shares have traded on the SGX-ST and the SEHK during each of the previous twelve months up to the Latest Practicable Date were as follows:

Month	Highest Prices on the SGX-ST (S\$)	Lowest Prices on the SGX-ST (S\$)	Highest Prices on the SEHK (HK\$)	Lowest Prices on the SEHK (HK\$)
<b>2022</b>				
April	0.320	0.295	1.820	1.600
May	0.300	0.285	1.700	1.600
June	0.310	0.285	1.730	1.620
July	0.295	0.280	1.670	1.580
August	0.290	0.265	1.620	1.460
September	0.275	0.235	1.490	1.300
October	0.245	0.220	1.340	1.210
November	0.255	0.225	1.450	1.280
December	0.255	0.225	1.470	1.380
<b>2023</b>				
January	0.265	0.235	1.560	1.400
February	0.265	0.215	1.550	1.380
March (up to and including the Latest Practicable Date)	0.225	0.210	1.420	1.350

## 5. FURTHER INFORMATION

**5.1 Interests of Directors and Controlling Shareholders.** None of the Directors or, to the best of the Company's knowledge, the controlling Shareholders of the Company, has any interest, direct or indirect, in the Share Buy-back Mandate (other than through their respective shareholdings in the Company).

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## LETTER FROM THE BOARD

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**5.2 Shareholding Interests of Directors.** The interests of Directors in the Company as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Directors	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Mr. Hu Yanguo	–	–	–	–
Mr. Tao Junjie	–	–	–	–
Mr. Luo Junling	–	–	–	–
Mr. Zhai Haitao	–	–	–	–
Mr. Lim Yu Neng Paul <sup>(1)</sup>	–	–	1,608,909	0.06
Ms. Cheng Fong Yee	622,266	0.02	–	–
Ms. Hao Gang	–	–	–	–

*Note:*

<sup>(1)</sup> Mr. Lim Yu Neng Paul is deemed to be interested in 100,509 Shares held in the name of Citibank Nominees Singapore Pte. Ltd. and 1,508,400 Shares held in the name of DBS Nominees (Pte.) Ltd.

**5.3 Shareholding Interests of Substantial Shareholders.** The interests of Substantial Shareholders in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
China Everbright Water Holdings Limited	2,084,724,572	72.87	–	–
Everbright Environment <sup>(1)</sup>	–	–	2,084,724,572	72.87
Guildford Limited <sup>(2)</sup>	–	–	2,084,724,572	72.87
China Everbright Holdings Company Limited <sup>(3)</sup>	–	–	2,084,724,572	72.87
China Everbright Group Ltd. <sup>(4)</sup>	–	–	2,084,724,572	72.87
Central Huijin Investment Ltd. <sup>(5)</sup>	–	–	2,084,724,572	72.87

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## LETTER FROM THE BOARD

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*Notes:*

- (1) Everbright Environment is the holding company of China Everbright Water Holdings Limited and is deemed to have an interest in the Shares held by China Everbright Water Holdings Limited.
- (2) Guildford Limited holds more than 20% but not more than 50% of the total issued shares of Everbright Environment and is deemed to have an interest in the Shares in which Everbright Environment has an interest.
- (3) China Everbright Holdings Company Limited is the holding company of Guildford Limited and is deemed to have an interest in the Shares in which Guildford Limited has an interest.
- (4) China Everbright Group Ltd. is the holding company of China Everbright Holdings Company Limited and is deemed to have an interest in the Shares in which China Everbright Holdings Company Limited has an interest.
- (5) Central Huijin Investment Ltd. holds 63.16% of the shares in China Everbright Group Ltd. and is deemed to have an interest in the Shares in which China Everbright Group Ltd. has an interest.

### 6. PROPOSED RE-ELECTION OF RETIRING DIRECTOR

**6.1 Background.** Pursuant to Bye-law 86(1) of the Bye-laws, Ms. Hao will retire as Director and being eligible, will offer herself for re-election at the 2023 AGM.

The Nominating Committee has reviewed the structure and composition of the Board, the qualifications, skills, knowledge and experience, time commitment and contributions of Ms. Hao, having regard to the nomination policy and the board diversity policy of the Company.

The Nominating Committee is of the view that Ms. Hao has extensive experience in different fields and professions that are relevant to the Company's business. In addition, her educational background, experience and knowledge allows her to provide valuable and relevant insights and contribute to the diversity of the Board. Accordingly, the Nominating Committee and the Board recommend that Ms. Hao be nominated for re-election as Director at the 2023 AGM.

The Board has resolved to put forward the above proposals at the 2023 AGM for the consideration and approval by the Shareholders. The appointment of Ms. Hao shall take effect from the date of approval by the Shareholders at the 2023 AGM by way of an ordinary resolution and shall last for a term of three years commencing from the date of approval at the 2023 AGM.

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## LETTER FROM THE BOARD

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### 6.2 Biographical Details of Director. Biographical details of Ms. Hao is as follows:

#### **Independent Non-Executive Director**

Ms. Hao, aged 64, is an independent non-executive Director. She is also a member of the Audit Committee and the Strategy Committee.

Ms. Hao is currently an associate professor at the Department of Management Sciences, the associate dean (Graduate Programmes and Executive Education) of the College of Business, the co-director of CityU-TsinghuaU EMBA/MPA (Public-Private Partnership) dual degree programme at the College of Business, and the director of EMBA (Chinese) Programme, City University of Hong Kong. Prior to that, she took a number of roles at the City University of Hong Kong, being mainly responsible for university development and international programme, amongst others. Ms. Hao also worked in Techno-Economic Research Institute of National Economic Commission of the PRC and participated in a number of major national investment and research projects in China.

Ms. Hao holds a doctorate degree in decision sciences and operations management from University of Pittsburgh in the United States, a master's degree in industrial administration from Tianjin University and a bachelor of science degree in mathematics from Sichuan University.

Ms. Hao joined the Board in March 2018. She was last re-elected at the annual general meeting of the Company on 27 April 2021.

Ms. Hao has a letter of appointment with the Company for a period of three years subject to the relevant provisions of retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Under the terms of Ms. Hao's letter of appointment, Ms. Hao is entitled to a director's fee and may be entitled to benefits in kind. Ms. Hao received a director's fee and benefits in kind for the financial year ended 31 December 2022. Details of her remuneration are set out in note 9 to the financial statements in the FY2022 Annual Report.

Save as disclosed above, Ms. Hao has not held any directorships in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the Latest Practicable Date, has not held any other position in any members of the Group, and has no other relationship with any Director, member of senior management, substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Ms. Hao has no interest in the shares of the Company within the meaning of Part XV of the SFO.

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## LETTER FROM THE BOARD

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Ms. Hao has given her written annual independence to the Company and the Nominating Committee has assessed and reviewed it based on the independence criteria as set out in Rule 3.13 of the SEHK Listing Rules and the guidelines as set out in the SGX-ST Listing Manual and the Singapore Code of Corporate Governance. She does not have any other relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company. The Board and the Nominating Committee are also not aware of any circumstance that might interfere, or be perceived to interfere, with Ms. Hao's exercise of independent judgment, and are satisfied that she has the required character, integrity, independence and experience to fulfill the role of an independent non-executive and she will be able to maintain an independent view of the Group's affairs. The Board considers her to be independent.

The Board is of the view that Ms. Hao is beneficial to the Board with her diversity of comprehensive experience and knowledge in business administration, public administration and management that contributes to invaluable expertise, continuity and stability to the Board, and the Company has benefited greatly from her contribution and valuable insights derived from her in-depth knowledge of the Company. The Board believes that she will continue to contribute effectively to the Board.

Save as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, there are no matters concerning Ms. Hao that need to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the SEHK Listing Rules, nor any other matters that are required to be brought to the attention of the Shareholders.

Ms. Hao has submitted an undertaking to the Company under Rule 720(1) of the SGX-ST Listing Manual. In addition, Ms. Hao has confirmed that there is no change to her responses previously disclosed under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual, which were all "No".

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## LETTER FROM THE BOARD

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The additional information on the Director seeking re-election at the 2023 AGM, pursuant to Rule 720(6) and Appendix 7.4.1 of the SGX-ST Listing Manual, is set out below:

**Name of Director** Ms. Hao Gang

**Date of Appointment** 16 March 2018

**Date of last re-appointment  
(if applicable)** 27 April 2021

**Age** 64

**Country of principal residence** Hong Kong, China

**The Board's comments on this appointment (including rationale, selection criteria, board diversity consideration, and the search and nomination process)** The Nominating Committee has reviewed the structure and composition of the Board, the qualifications, skills, knowledge and experience, time commitment and contributions of Ms. Hao, having regard to the nomination policy and the board diversity policy of the Company.

The Nominating Committee is of the view that Ms. Hao has extensive experience in different fields and professions that are relevant to the Company's business. In addition, her educational background, experience and knowledge allows her to provide valuable and relevant insights and contribute to the diversity of the Board. Accordingly, the Nominating Committee and the Board recommend that Ms. Hao be nominated for re-election as Director at the 2023 AGM.

**Whether appointment is executive, and if so, the area of responsibility** Non-Executive

**Job title (e.g. Lead ID, AC Chairman, AC Member etc.)** Independent Non-executive Director, a member of the Audit Committee and the Strategy Committee

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## LETTER FROM THE BOARD

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<b>Professional qualifications</b>	<ul style="list-style-type: none"><li>• Doctorate degree in Decision Sciences and Operations Management from University of Pittsburgh in the United States</li><li>• Master's degree in Industrial Administration from Tianjin University in the PRC</li><li>• Bachelor of Science degree in Mathematics from Sichuan University in the PRC</li></ul>
<b>Working experience and occupation(s) during the past 10 years</b>	Ms. Hao has been an associate professor at the Department of Management Sciences at College of Business, City University of Hong Kong in the past 10 years. Ms. Hao is also the associate dean (Graduate Programmes and Executive Education) of the College of Business, the co-director of CityU-TsinghuaU EMBA/MPA (Public-Private Partnership) dual degree programme at the College of Business and the director of EMBA (Chinese) programme, City University of Hong Kong.
<b>Shareholding interest in the listed issuer and its subsidiaries</b>	None
<b>Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</b>	None
<b>Conflict of interests (including any competing business)</b>	None
<b>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual has been submitted to the listed issuer</b>	Yes

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## LETTER FROM THE BOARD

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### Other Directorships

- |                                 |    |
|---------------------------------|----|
| (a) Past (for the last 5 years) | No |
| (b) Present                     | No |

**Responses to items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual** No change. Ms. Hao's responses were all "No".

### 7. PROPOSED RE-APPOINTMENT OF THE COMPANY'S AUDITOR

The Board proposes to re-appoint Ernst & Young LLP as the auditor of the Company to hold office until the conclusion of the next annual general meeting. A resolution will also be proposed to authorise the Board to fix the auditor's remuneration for the ensuing year. Ernst & Young LLP has indicated its willingness to be re-appointed as auditor of the Company for the said period.

### 8. PROPOSED AMENDMENTS TO THE BYE-LAWS AND PROPOSED ADOPTION OF THE NEW BYE-LAWS

**8.1 Rationale for the Alterations to the Bye-laws.** The Board will propose at the 2023 AGM a special resolution approving the Amendments and the adoption of a new set of Bye-laws, incorporating and consolidating the Amendments, in substitution for and to the exclusion of the existing Bye-laws to, *inter alia*:

- 8.1.1. bring the Bye-laws in alignment with the Core Shareholder Protection Standards set out in Appendix 3 to the SEHK Listing Rules which took effect on 1 January 2022;
- 8.1.2. facilitate the electronic transmission of notices and documents; and
- 8.1.3. incorporate certain house-keeping amendments.

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## LETTER FROM THE BOARD

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**8.2 Proposed Alterations.** Information regarding the alterations which are proposed to be made to the existing Bye-laws is set out below.

**8.2.1. Core Shareholder Protection Standards**

The SEHK introduced an amendment to the SEHK Listing Rules which took effect on 1 January 2022. According to the amended Appendix 3 to the SEHK Listing Rules, where the laws and regulations of the issuers' place of incorporation, in combination with their constitutional documents, do not provide the shareholder protections required under the Core Shareholder Protection Standards set out in Appendix 3 to the SEHK Listing Rules, the issuers should amend their constitutional documents to conform to the Core Shareholder Protection Standards.

The following Bye-laws are proposed to be updated to align with the Core Shareholder Protection Standards as required by the amended SEHK Listing Rules:

- (a) **Bye-law 44.** Bye-law 44 relates to, *inter alia*, when the branch register of Shareholders shall be open for inspection. Pursuant to Paragraph 20 of Appendix 3 of the SEHK Listing Rules, the branch register of members in Hong Kong shall be open for inspection by members but the issuer may be permitted to close the register on terms equivalent to section 632 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The proposed revision to Bye-law 44 is intended to align with Paragraph 20 of Appendix 3 of the SEHK Listing Rules.
- (b) **Bye-law 55.** Bye-law 55 relates to the timeline for holding annual general meetings. Pursuant to Paragraph 14(1) of Appendix 3 of the SEHK Listing Rules, an issuer must hold a general meeting for each financial year as its annual general meeting. The proposed revision to Bye-law 55 is intended to align with Paragraph 14(1) of Appendix 3 of the SEHK Listing Rules.
- (c) **Bye-law 57.** Bye-law 57 relates to the right of minority Shareholders to requisition a special general meeting. Pursuant to Paragraph 14(5) of Appendix 3 of the SEHK Listing Rules, which provides that members holding a minority stake in the total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer. The proposed revision to Bye-law 57 is intended to align with Paragraph 14(5) of Appendix 3 of the SEHK Listing Rules.

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## LETTER FROM THE BOARD

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- (d) **Bye-law 58(1).** Bye-law 58(1) relates to the notice period for general meetings. Pursuant to Paragraph 14(2) of Appendix 3 of the SEHK Listing Rules, an issuer must give its members reasonable written notice of its general meetings, and “reasonable written notice” normally means at least 21 days for an annual general meeting and at least 14 days for other general meetings. The proposed revision to Bye-law 58(1) is intended to align with Paragraph 14(2) of Appendix 3 of the SEHK Listing Rules.
- (e) **Bye-law 60(1A).** A new Bye-law 60(1A) is proposed to be included to align with Paragraph 14(3) of Appendix 3 of the SEHK Listing Rules, which provides, *inter alia*, that members must have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the SEHK Listing Rules, to abstain from voting to approve the matter under consideration.
- (f) **Bye-law 77(1).** Bye-law 77(1) relates to, *inter alia*, the rights that proxies appointed by a Member may exercise. The proposed amendment clarifies that the proxies appointed by the Depository or a clearing house may attend and vote at any meeting of the Company (including but not limited to general meetings and creditors meetings), and that the rights that the proxies appointed by the Depository or a clearing house have include the right to speak. This aligns with Paragraph 19 of Appendix 3 of the SEHK Listing Rules.
- (g) **Bye-law 85(4).** Bye-law 85(4) relates to the right of Shareholders to remove a Director by ordinary resolution. The proposed amendment to Bye-law 85(4) is intended to align with the language in Paragraph 4(3) of Appendix 3 of the SEHK Listing Rules.
- (h) **Bye-law 85(6).** Bye-law 85(6) relates to the term of office of Director appointed by the Board to fill a casual vacancy, or as an addition to the existing Board. The proposed amendment to Bye-law 85(6) clarifies that such a term of office will last until the first annual general meeting of the Company after such appointment, and such Director will be eligible for re-election at that meeting, and is intended to align with the language in Paragraph 4(2) of Appendix 3 of the SEHK Listing Rules.

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## LETTER FROM THE BOARD

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- (i) **Bye-laws 2(j), 2(l), 84(1), 152(1), 152(3) and 154.** Bye-laws 152(1) and 152(3) relate to the right of Shareholders to appoint and remove an auditor for the Company, and Bye-law 154 relates to the right of shareholders to fix the remuneration of an auditor for the Company. Pursuant to Paragraph 17 of Appendix 3 of the SEHK Listing Rules, the appointment, removal and remuneration of auditors must be approved by a majority of the issuer's members or other body that is independent of the board of directors. The proposed amendment to Bye-laws 152(1) and 154 clarifies that the appointment and remuneration, respectively, of an auditor for the Company is to be made pursuant to an ordinary resolution of the Shareholders, as required by Paragraph 17 of Appendix 3 of the SEHK Listing Rules.

However, under the Bermuda Companies Act, an auditor may only be removed by a resolution passed by a majority of not less than two-thirds of votes cast by members of a Company. Accordingly, a new Bye-law 2(l) is included to define "extraordinary resolution" as a resolution being passed by a majority of not less than two-thirds of votes cast by Shareholders, and Bye-law 152(3) has been amended to clarify that an extraordinary resolution is required to remove the auditor of the Company before the expiration of its term of office. For the avoidance of doubt, an "extraordinary resolution" is only required under Bye-law 152(3). This is distinct from corporate actions which require a special resolution to be passed, such as those under Bye-law 6 (reduction of issued share capital), Bye-law 10 (repayment of preference capital and variation of class rights), Bye-law 162 (winding up) and Bye-law 165 (alteration of bye-laws), which remain unchanged and require a majority of not less than three-fourths of votes cast by Shareholders.

Consequential editorial changes are proposed to Bye-laws 2(j) and 84(1) to include a reference to extraordinary resolutions.

### ***8.2.2. Electronic dissemination of documents***

- (a) **Background.** In connection with the amendments to the Singapore Companies Act as set out in the Companies (Amendment) Act 2014 of Singapore, Singapore companies are allowed to send notices and documents electronically to their shareholders if the constitution of the company provides for and specifies the manner in which electronic communications are to be used. Further, notices or documents may be sent by way of electronic communications to shareholders with the express, deemed or implied consent of the shareholders in accordance with the constitution of the company.

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## LETTER FROM THE BOARD

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On 11 January 2016, the SGX-ST published a consultation paper on the “Listing Rules Amendments to align with Changes to the Companies Act” (the “**SGX-ST Consultation Paper**”) which, *inter alia*, proposed to allow issuers to electronically transmit certain types of notices and documents if express consent or deemed consent of the shareholders is obtained, subject to certain safeguards. The purpose of the proposed amendments to the SGX-ST Listing Manual as set out in the SGX-ST Consultation Paper was to align the SGX-ST Listing Manual with the amendments to the Singapore Companies Act which came into effect on 3 January 2016.

Following feedback received by the SGX-ST in response to the SGX-ST Consultation Paper, the SGX-ST amended the SGX-ST Listing Manual to allow listed issuers to electronically transmit certain types of notices and documents with the express, deemed or implied consent of the Shareholders in accordance with the constituent document of the listed issuer, subject to the safeguards set out in the amended SGX-ST Listing Manual.

Although the Company is not bound by the Singapore Companies Act (being incorporated in Bermuda), it is nonetheless bound by the SGX-ST Listing Manual. Consequently, the Company wishes to amend the Bye-laws to adopt certain provisions of the SGX-ST Listing Manual to allow for the electronic transmission of notices and documents to Shareholders.

In any event, the Company will comply with all applicable laws, rules and regulations in the implementation of the electronic communications regime, including the SEHK Listing Rules and the Bermuda Companies Act.

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## LETTER FROM THE BOARD

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- (b) **Electronic Communications Regime.** Shareholders would have expressly consented to the use of electronic communications of notices and documents if the Shareholder expressly agrees that notices and documents may be given, sent or served to him using electronic communications (the “**Express Consent Regime**”).

Shareholders are subject to the deemed consent regime in relation to the use of electronic communications of notices and documents if the Bye-laws (i) provide for the use of electronic communications, (ii) specify the manner in which the electronic communications is to be used, and (iii) provide that the Shareholders will be given an opportunity to elect, within a specified period of time, whether to receive electronic or physical copies of such notices and documents, and the Shareholder fails to make an election within the specified period of time (the “**Deemed Consent Regime**” and together with the Express Consent Regime, the “**Consent Regimes**”). In line with the safeguards applicable under Rule 1210 of the SGX-ST Listing Manual, the Consent Regimes do not apply to (i) forms or acceptance letters that Shareholders may be required to complete, (ii) notice of meetings, excluding circulars or letters referred in that notice, (iii) notices or documents relating to take-over offers and rights issues, and (iv) notices under Rules 1211 and 1212 of the SGX-ST Listing Manual, and such notices or documents cannot be transmitted by electronic means.

Rule 1211 of the SGX-ST Listing Manual provides that where an issuer uses electronic communications to send a document to a shareholder, the issuer shall inform the shareholder as soon as practicable of how to request a physical copy of that document from the issuer. The issuer shall provide a physical copy of that document upon such request.

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

- (i) the publication of the document on the website;
- (ii) if the document is not available on the website on the date of notification, the date on which it will be available;
- (iii) the address of the website;
- (iv) the place on the website where the document may be accessed; and
- (v) how to access the document.

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## LETTER FROM THE BOARD

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- (c) **Bye-laws 158A(1) to (4).** The following is a summary of the new Bye-laws 158A(1) to (4):
- (i) Bye-law 158A(1) provides that notices and documents may be sent to Shareholders using electronic communications either to a Shareholder's current email address or by making it available on a website prescribed by the Company from time to time.
  - (ii) Bye-law 158A(2) provides that for these purposes, a Shareholder is deemed to have agreed to receive such notice or document by way of electronic communications and shall not receive a physical copy of such notice or document, if the Shareholder has been asked by the Company to agree to receiving such notice or document by way of such electronic communications and has not indicated their objection within 28 days from the date on which the Company's request was sent.
  - (iii) Bye-law 158A(3) provides that notwithstanding Bye-law 158A(2), Shareholders may at any time by notice in writing served on the Company, make an election to receive a physical copy of such notice or document. Upon receipt of such election, the Company shall send to that Shareholder such notice or document within seven days of such receipt. Until such election, a Shareholder's election conveyed to the Company last in time prevails over all previous elections as the Shareholder's valid and subsisting election in relation to all documents under Bye-law 158A(2) above.
  - (iv) Bye-law 158A(4) provides that, in the case of service on a website, the Company must give separate notice of the publication of the notice or document on that website and the manner in which the notice or document may be accessed:
    - (1) by sending such separate notice to Shareholders in person or by post;
    - (2) by sending such separate notice using electronic communications to Shareholders' current email addresses;
    - (3) by way of advertisement in the daily press; and/or
    - (4) by way of announcement on SGXNet and the website of HKEX.

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## LETTER FROM THE BOARD

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### 8.2.3. General

The following articles are proposed to be updated, streamlined and rationalised generally:

- (a) **Bye-law 1.** Bye-law 1 sets out the definitions of various terms used in the Bye-laws. Bye-law 1 is proposed to be updated to reflect the change in names of Singapore legislation following the coming into force of the 2020 Revised Edition of Acts of Singapore on 31 December 2021. Bye-law 1 is also proposed to be amended to make clear that the relevant laws, bye-laws, regulations, orders, statutes and/or official directors for the purposes of the Bye-laws are those which are applicable to the Company.
- (b) **Bye-law 9(1).** Bye-law 9(1) relates to, *inter alia*, the nominal value of preference shares that may be issued. Bye-law 9(1) is proposed to be amended to replace the reference to nominal value with the number of preference shares. This is intended to align with Paragraph 1(a) of Appendix 2.2 of the SGX-ST Listing Manual.
- (c) **Bye-law 10.** Bye-law 10 relates to, *inter alia*, the approval threshold for the repayment of preference capital and variation or abrogation of the special rights attached to any class of shares. Bye-law 10 is proposed to be amended to clarify that preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be varied or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise). This is intended to align with Paragraph 5 of Appendix 2.2 of the SGX-ST Listing Manual. For the avoidance of doubt, the amendment to Bye-law 10 is in line with Paragraph 15 of Appendix 3 of the SEHK Listing Rules.
- (d) **Bye-law 22.** Bye-law 22 relates to, *inter alia*, the Company's right to have a lien on shares which are not fully paid. Bye-law 22 is proposed to be amended to make clear that such liens shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Shareholder or deceased Shareholder. This amendment is intended to incorporate Paragraph 3(a) of Appendix 2.2 of the SGX-ST Listing Manual.

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## LETTER FROM THE BOARD

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- (e) **Bye-law 91.** Bye-law 91 relates to the appointment of alternate Directors by Directors of the Company. Bye-law 91 is proposed to be amended to make clear that a person may not act as an alternate Director for more than one Director of the Company. This amendment is intended to incorporate Paragraph 9(l) of Appendix 2.2 of the SGX-ST Listing Manual.
- (f) **Bye-law 100.** Bye-law 100 relates to the right of Directors of the Company to contract with the Company. Bye-law 100 is proposed to be amended to make clear that such right is subject to the Rules of the Designated Stock Exchange.
- (g) **Bye-law 136.** Bye-law 136 relates to, *inter alia*, the right of Directors of the Company to declare dividends. Bye-law 136 is proposed to be amended to make clear that such right is subject to the Rules of the Designated Stock Exchange.
- (h) **Bye-law 150.** Bye-law 150 relates to the right of Directors to inspect the records of account. Bye-law 150 is proposed to be amended to make clear that such right is subject to the Rules of the Designated Stock Exchange.
- (i) **Bye-law 167(2).** Bye-law 167(2) relates to the obligation of substantial Shareholders to update the Company where there is, *inter alia*, a change in the substantial Shareholders' particulars or interest in the Company. Bye-law 167(2) is proposed to be updated to reflect the change in names of Singapore legislation following the coming into force of the 2020 Revised Edition of Acts of Singapore on 31 December 2021.
- (j) **Bye-law 168.** Bye-law 168 relates to, *inter alia*, the applicability of certain rules relating to take-overs. Bye-law 168 is proposed to be updated to reflect the change in names of Singapore legislation following the coming into force of the 2020 Revised Edition of Acts of Singapore on 31 December 2021.

**8.3 Confirmations.** The legal advisers to the Company as to Hong Kong laws have confirmed that the Amendments comply with the requirements of the SEHK Listing Rules and the legal advisers to the Company as to Bermuda laws have confirmed that the Amendments are not inconsistent with the applicable laws of Bermuda.

The Company confirms that there is nothing unusual about the Amendments. Shareholders are advised that the Bye-laws are written in English only and there is no official Chinese translation. The Chinese translation of the Bye-laws is provided for reference only. In case of any discrepancy or inconsistency, the English version shall prevail.

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## LETTER FROM THE BOARD

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Under Rule 730(2) of the SGX-ST Listing Manual, whenever an issuer proposes to amend its articles of association or constituent documents, they must be made consistent with the prevailing listing rules of the SGX-ST. In this regard, as at the Latest Practicable Date, the provisions of the new Bye-laws including the Amendments are in alignment with the prevailing listing rules of the SGX-ST as at that date.

**8.4 Shareholders' Approval.** Details of the Amendments are set out in Appendix 2 to this Circular and the text of the new Bye-laws with all Amendments incorporated are set out in Appendix 3 to this Circular. The Amendments are subject to Shareholders' approval by way of a special resolution.

### 9. DIRECTORS' RECOMMENDATION

**9.1 Proposed Renewal of the IPT Mandate.** The Relevant Independent Directors, who are members of the Audit Committee and independent non-executive Directors of the Company, are considered independent for the purposes of the proposed renewal of the IPT Mandate. Having reviewed, *inter alia*, the rationale for the terms of the IPT Mandate as well as the benefits that may be obtained therefrom, and the review procedures of the Company, the Relevant Independent Directors confirm that the methods or procedures for determining the transaction prices under the IPT Mandate are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. Accordingly, the Relevant Independent Directors recommend that Shareholders vote in favour of the respective resolution in respect of the proposed renewal of the IPT Mandate at the 2023 AGM.

**9.2 Proposed Renewal of the General Mandate.** The Directors, having considered, *inter alia*, the terms and the rationale of the General Mandate, are of the opinion that the General Mandate is in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the respective resolution in respect of the General Mandate at the 2023 AGM.

**9.3 Proposed Renewal of the Share Buy-back Mandate.** The Directors, having considered, *inter alia*, the terms and the rationale of the Share Buy-back Mandate, are of the opinion that the Share Buy-back Mandate is in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the respective resolution in respect of the Share Buy-back Mandate at the 2023 AGM.

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## LETTER FROM THE BOARD

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- 9.4 Proposed Re-election of Ms. Hao as a Director.** The Directors (other than Ms. Hao) are of the opinion that the re-election of Ms. Hao as a Director of the Company is in the interests of the Company and the Shareholders. Accordingly, the Directors (other than Ms. Hao) recommend that Shareholders vote in favour of the resolution in respect of the re-election of Ms. Hao as a Director at the 2023 AGM.
- 9.5 Proposed Re-appointment of the Company's auditor.** The Directors are of the opinion that the re-appointment of Ernst & Young LLP as the auditor of the Company is in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the respective resolution in respect of the re-appointment of Ernst & Young LLP as the auditor of the Company at the 2023 AGM.
- 9.6 Proposed Amendments to the Bye-laws and Adoption of the New Bye-laws.** The Directors, having considered, *inter alia*, the proposed amendments to the Bye-laws and adoption of the new Bye-laws, are of the opinion that the proposed amendments to the Bye-laws and adoption of the new Bye-laws are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the respective resolution in respect of the proposed amendments to the Bye-laws and adoption of the new Bye-laws at the 2023 AGM.
- 9.7 Abstention of Certain Directors.** Mr. Zhai Haitao, who is a member of the Audit Committee and an independent non-executive Director of the Company, has abstained from deliberating and making any recommendation in respect of the proposed renewal of the IPT Mandate as he is an independent non-executive director of Everbright Environment, which is a controlling shareholder of the Company.
- Ms. Hao has abstained from deliberating and making any recommendations in respect of her re-election as Director of the Company.
- 9.8 Abstention of Interested Persons.** China Everbright Water Holdings Limited will abstain from voting, and has undertaken to ensure that its associates will abstain from voting, on Ordinary Resolution No. 9, being the Ordinary Resolution relating to the proposed renewal of the IPT Mandate to be proposed at the 2023 AGM.

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## LETTER FROM THE BOARD

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**9.9 No Regard for Specific Objectives.** Shareholders, in deciding whether to vote in favour of the proposed renewal of the IPT Mandate, should read carefully the terms, rationale and financial effects of the IPT Mandate. In giving the above recommendations, the Relevant Independent Directors have not had regard to any general or specific investment objectives, financial situations, tax positions or particular needs or constraints of any individual Shareholder. As different Shareholders have different investment profiles and objectives, the Relevant Independent Directors recommend that any individual Shareholder who may require specific advice in relation to the proposed renewal of the IPT Mandate should consult his/her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.

### **10. ANNUAL GENERAL MEETING**

The 2023 AGM will be held on Wednesday, 26 April 2023 at 9:30 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing with or without any modifications, the resolutions as set out in the Notice.

**The 2023 AGM will be convened, and will be held, via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, and accordingly, Shareholders will NOT be able to attend the 2023 AGM in person, and can only participate in the 2023 AGM via electronic means.**

### **11. ACTION TO BE TAKEN BY SHAREHOLDERS**

**11.1 Steps for pre-registration, pre-submission of questions and voting at the 2023 AGM.** Shareholders will be able to observe and/or listen to the 2023 AGM proceedings through a live audio-video webcast, live audio-only webcast or live audio-only stream via their mobile phones, tablets or computers. Shareholders can submit questions in advance of the 2023 AGM, submit questions during the 2023 AGM via an online chat box, vote by appointing the Chairman of the 2023 AGM as proxy to attend, speak and vote on their behalf at the 2023 AGM and/or vote electronically during the 2023 AGM. Shareholders who are Depositors holding Shares via CDP will be appointed as proxies of CDP and their participation in the 2023 AGM as described herein will be in the capacity as proxies or representatives of CDP.

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## LETTER FROM THE BOARD

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To do so, they will need to complete the following steps:

No.	Steps	Details
1	Pre-registration	<b>Shareholders must pre-register at the pre-registration website at <a href="http://www.ebwater.com/agm2023">www.ebwater.com/agm2023</a> from 9:00 a.m. (Singapore time) on 21 March 2023 till 9:30 a.m. on 23 April 2023 to enable the Company to verify their status as Shareholders.</b>

Following the verification, authenticated Shareholders will receive an email (the “**Confirmation Email**”) by **9:30 a.m. (Singapore time) on 25 April 2023**. The Confirmation Email will contain user ID and password details, as well as the link to access the live audio-visual webcast and the live audio-only webcast, a toll-free telephone number to access the live audio-only stream of the 2023 AGM proceedings and the link to access the live-voting platform to electronically vote on the resolutions to be tabled at the 2023 AGM during the 2023 AGM.

The user ID and password details should only be used by the authenticated Shareholder, and should not be shared with anyone else. If it is established that the user ID and password details are being used by someone other than the authenticated Shareholder, the Company reserves the right to revoke the respective user ID’s access to the 2023 AGM and to reject the questions asked and votes originating from such user ID.

Singapore Shareholders who have validly pre-registered by the 23 April 2023 deadline but have not received the Confirmation Email by **9:30 a.m. (Singapore time) on 25 April 2023**, should contact the Company’s Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6536 5355 or [CEWLAGM2023@boardroomlimited.com](mailto:CEWLAGM2023@boardroomlimited.com). Hong Kong Shareholders who have validly pre-registered by the 23 April 2023 deadline but have not received the Confirmation Email by **9:30 a.m. (Hong Kong time) on 25 April 2023**, should contact the Company’s Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at +852-2153 1688 or [srinfo.hk@boardroomlimited.com](mailto:srinfo.hk@boardroomlimited.com).

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## LETTER FROM THE BOARD

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No.	Steps	Details
2	Questions and Answers	<b>Shareholders who have validly pre-registered will be able to submit their questions to the Company in advance of the 2023 AGM and/or ask questions during the 2023 AGM via an online chat box.</b>

**Submission of questions:** Shareholders who have validly pre-registered can submit questions related to the resolutions to be tabled for approval at the 2023 AGM to the Chairman of the 2023 AGM, in advance of the 2023 AGM (a) through the pre-registration website at [www.ebwater.com/agm2023](http://www.ebwater.com/agm2023), (b) by post to either the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, or (c) by email to either the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at [CEWLAGM2023@boardroomlimited.com](mailto:CEWLAGM2023@boardroomlimited.com) or the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at [srinfo.hk@boardroomlimited.com](mailto:srinfo.hk@boardroomlimited.com). Shareholders who have validly pre-registered can also submit their questions via the online chat box during the 2023 AGM at the website link that will be provided to the Shareholders in the Confirmation Email.

**Deadline to submit questions in advance:** All questions (a) if submitted in advance via the pre-registration website, must be done by **9:30 a.m. (Singapore time) on 23 April 2023**, (b) if submitted in advance via post, must be lodged with the Company's Singapore Share Transfer Agent or the Company's Hong Kong Share Registrar and Transfer Office by **9:30 a.m. (Singapore time) on 23 April 2023**, or (c) if submitted in advance via email, must be submitted by **9:30 a.m. (Singapore time) on 23 April 2023**.

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## LETTER FROM THE BOARD

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No.	Steps	Details
		<p><b>Addressing questions:</b> The Company will endeavour to address all substantial and relevant questions received from the Shareholders by the submission deadline by publishing its responses to such questions on its corporate website, on the SGXNET and the website of the HKEX. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the 2023 AGM) received after the submission deadline which have not already been addressed prior to the 2023 AGM, as well as those substantial and relevant questions received at the 2023 AGM, at the 2023 AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.</p> <p><b>Minutes of 2023 AGM:</b> The Company will publish the minutes of the 2023 AGM on its corporate website, SGXNET and the website of the HKEX, and the minutes will include the responses to substantial and relevant questions from the Shareholders which are addressed during the 2023 AGM.</p>
3	<b>Submit proxy forms in advance to vote</b>	<p><b>Appointment of Chairman of the 2023 AGM as proxy:</b> Shareholders (whether individual or corporate) who pre-register to observe and/or listen to the 2023 AGM proceedings and wish to vote on the resolutions to be tabled at the 2023 AGM can appoint the Chairman of the 2023 AGM as their proxy or (in the case of Depositors) nominate the appointment of the Chairman of the 2023 AGM as CDP's proxy to attend, speak and vote on their behalf at the 2023 AGM, in accordance with the instructions on the proxy form and vote electronically during the 2023 AGM (as set out below).</p> <p>Please note that for the 2023 AGM, Depositors will only be allowed to nominate the Chairman of the 2023 AGM as CDP's proxy and would not be able to nominate any other person as CDP's proxy.</p>

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## LETTER FROM THE BOARD

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### No. Steps

### Details

**Specific voting instructions to be given:** Where the Shareholders (whether individual or corporate) appoint the Chairman of the 2023 AGM as their proxy or (in the case of Depositors) nominate the appointment of the Chairman of the 2023 AGM as CDP's proxy, they must give specific instructions as to voting, or abstentions from voting, in respect of each of the resolutions set out in the proxy form, failing which the Chairman of the 2023 AGM may vote or abstain from voting at his/her/their discretion.

**Submission of proxy forms:** For Singapore Shareholders, the Depositor Proxy Form nominating the appointment of the Chairman of the 2023 AGM as proxy of CDP, duly completed, must be submitted by the Depositor in the following manner:

- a. if submitted by post, by depositing the duly completed Depositor Proxy Form at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- b. if submitted electronically, by scanning and submitting the duly completed Depositor Proxy Form via email to the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at [CEWLAGM2023@boardroomlimited.com](mailto:CEWLAGM2023@boardroomlimited.com),

in either case, at least 72 hours before the time for holding the 2023 AGM.

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## LETTER FROM THE BOARD

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No.	Steps	Details
		<p>Pursuant to Bye-law 77(1)(b) of the Bye-laws, unless CDP specifies otherwise in a written notice to the Company, CDP shall be deemed to have appointed the Depositors who are individuals and whose names are shown in the records of CDP 72 hours prior to the time of the relevant general meeting supplied by CDP to the Company, as CDP's proxies to vote on behalf of CDP at a general meeting of the Company. As such, a Depositor who is an individual and whose name is listed in the Depository Register 72 hours before the time of the 2023 AGM may (subject to completion of the pre-registration requirements set out above) participate and vote at the 2023 AGM in the manner set out above without having to complete or return any form of proxy.</p> <p>For Hong Kong Shareholders, the instrument appointing the Chairman of the 2023 AGM as proxy must be submitted in the following manner:</p> <ol style="list-style-type: none"><li>i. if submitted by post, by depositing the duly completed proxy form with the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F., 148 Electric Road, North Point, Hong Kong; or</li><li>ii. if submitted electronically, by scanning and submitting the duly completed proxy form via email to the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at <a href="mailto:srinfo.hk@boardroomlimited.com">srinfo.hk@boardroomlimited.com</a>,</li></ol> <p>in either case, at least 72 hours before the time for holding the 2023 AGM.</p> <p><b>Shareholders are strongly encouraged to scan and submit the completed proxy forms electronically via email.</b></p>

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## LETTER FROM THE BOARD

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No.	Steps	Details
4	<b>Voting Electronically during the 2023 AGM</b>	Shareholders who have validly pre-registered will also be able to electronically vote on the resolutions to be tabled at the 2023 AGM during the 2023 AGM.  Further details on electronic voting will be set out in the Confirmation Email.

In the case of Depositors, the Company may reject any instrument appointing or treated as appointing the Chairman of the 2023 AGM as proxy of CDP lodged if such Depositors are not shown to have Shares entered against their names in the Depository Register 72 hours before the time appointed for holding the 2023 AGM as certified by CDP to the Company.

For Singapore Shareholders (other than Depositors), the Register of Transfer and Register of Members of the Company will be closed at 5 p.m. (Singapore time) on 20 April 2023 (Thursday) for the purpose of determining the entitlement of Singapore Shareholders to attend the 2023 AGM by electronic means and vote at the 2023 AGM. Duly completed registrable transfers received by the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5 p.m. (Singapore time) on 20 April 2023 (Thursday) will be registered to determine Singapore Shareholders' entitlements to attend the 2023 AGM by electronic means and vote at the 2023 AGM.

For Hong Kong Shareholders, the Hong Kong branch register of members of the Company will be closed from 21 April 2023 (Friday) to 26 April 2023 (Wednesday), both days inclusive, for the purpose of determining the entitlement of Hong Kong Shareholders to attend the 2023 AGM by electronic means and vote at the 2023 AGM. Duly completed registrable transfers of Shares received by the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, up to 4:30 p.m. (Hong Kong time) on 20 April 2023 (Thursday), will be registered to determine Hong Kong Shareholders' entitlements to attend the 2023 AGM by electronic means and vote at the 2023 AGM.

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## LETTER FROM THE BOARD

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### 12. VOTING BY POLL

Pursuant to the SGX-ST Listing Manual and the SEHK Listing Rules, voting by poll is mandatory at all general meetings. The results of the poll will be published on the SGXNET and the websites of Company and the HKEX on the day of the 2023 AGM.

On a poll, every Shareholder who has validly pre-registered to vote electronically or appointed the Chairman of the 2023 AGM as proxy shall have one vote for each Share registered in his/her name in the register of members of the Company. A Shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same manner.

### 13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the General Mandate, the IPT Mandate, the Share Buy-back Mandate, the re-election of Directors, the re-appointment of the Company's auditor, and the amendments to the Bye-laws of the Company and adoption of the new Bye-laws, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

This Circular includes particulars given in compliance with the SEHK Listing Rules for the purpose of giving information with respect of the Company. The information contained herein relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, no other facts are omitted in this Circular which would make any statement herein misleading insofar as it relates to the Company.

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## LETTER FROM THE BOARD

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### 14. DOCUMENTS FOR INSPECTION

Copies of the Memorandum of Association and Bye-laws are available for inspection at the office of the Company at 9 Battery Road, MYP Centre, #20-02, Singapore 049910 and the principal place of business in Hong Kong of the Company at Room 3601, 36/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, during normal business hours on any weekday (excluding public holidays) from the date of this Circular up to the date of the 2023 AGM.

Yours faithfully,  
By Order of the Board  
**CHINA EVERBRIGHT WATER LIMITED**  
**Kwan Yun Fui**  
*Legal Counsel and Joint Company Secretary*

Singapore and Hong Kong, 21 March 2023

## 1. CHAPTER 9 OF THE SGX-ST LISTING MANUAL

- 1.1** Chapter 9 of the listing manual (the “**SGX-ST Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company’s interested persons. When this Chapter applies to a transaction and the value of that transaction alone or on aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds, certain materiality thresholds, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders’ approval for that transaction.
- 1.2** Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and hence are excluded from the ambit of Chapter 9, immediate announcement and shareholders’ approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company’s latest audited consolidated net tangible assets (“**NTA**”)) are reached or exceeded. In particular, shareholders’ approval is required for an interested person transaction of a value equal to, or which exceeds:
- (a) 5% of the listed company’s latest audited consolidated NTA; or
  - (b) 5% of the listed company’s latest audited consolidated NTA, when aggregated with other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the SGX-ST Listing Manual) during the same financial year.
- 1.3** Based on the latest audited consolidated financial statements of China Everbright Water Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the financial year ended 31 December 2022, the consolidated NTA of the Group was HK\$11,593,348,000. In relation to the Company, for the purposes of Chapter 9, in the current financial year and until such time that the consolidated audited financial statements of the Group for the year ended 31 December 2022 are published, 5% of the latest audited consolidated NTA of the Group would be HK\$579,667,000.
- 1.4** Chapter 9 of the SGX-ST Listing Manual permits a listed company, however, to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company’s interested persons.

1.5 Under the SGX-ST Listing Manual:

- (a) an “**entity at risk**” means:
  - (i) the listed company;
  - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
  - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company;
- (b) an “**interested person**” means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder;
- (c) an “**associate**” in relation to an interested person who is a director, chief executive officer or controlling shareholder includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;
- (d) an “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9; and
- (e) an “**interested person transaction**” means a transaction between an entity at risk and an interested person.

## 2. RATIONALE FOR THE IPT MANDATE

2.1 It is envisaged that in the ordinary course of their businesses, transactions between companies in the EAR Group (as defined below) and the Company's interested persons are likely to occur from time to time. Such transactions are necessary for the day-to-day operations of the EAR Group and would include, but are not limited to, the provision of goods, facilities and services in the ordinary course of business of the EAR Group to the Company's interested persons or the obtaining of goods, facilities and services from them.

2.2 In particular, China Everbright Group Ltd., the Company's indirect controlling shareholder, is a major financial holding group in China, with business presence in various industries and sectors. Its business areas include, amongst others, banking, securities, insurance, funds, trusts, futures, leasing, investment, environmental protection, hospitalism and pharmaceutical. The EAR Group (as defined below) may leverage on China Everbright Group's (as defined below) wide spectrum of businesses and rich resources to support its future development. Some of China Everbright Group Ltd.'s major subsidiaries include:

- (a) China Everbright Environment Group Limited, a one-stop integrated environmental solution provider listed on The Stock Exchange of Hong Kong Limited (“SEHK”);
- (b) China Everbright Limited, an investment holding company principally engaged in fund management and investment business and listed on SEHK;
- (c) China Everbright Bank Company Limited, a commercial bank listed on the Shanghai Stock Exchange (“SSE”) and SEHK;
- (d) Everbright Securities Company Limited, a securities brokerage company listed on the SSE and the SEHK; and
- (e) Sun Life Everbright Life Insurance Co., Ltd., an insurance company which has branches in various provinces and municipalities in China.

2.3 In view of the time-sensitive nature of commercial transactions, the renewal of the general mandate (the “**IPT Mandate**”) pursuant to Chapter 9 of the SGX-ST Listing Manual will enable:

- (a) the Company;
- (b) subsidiaries of the Company (excluding subsidiaries listed on the SGX-ST or an approved exchange); and
- (c) associated companies of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Group, or the Group and interested person(s) of the Company has or have control,

(together, the “**EAR Group**”), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions (“**Mandated IPTs**”) set out in paragraph 6.1 below with the Company’s interested persons (the “**Mandated Interested Persons**”) set out in paragraph 5.1 below, provided that such Mandated IPTs are made on normal commercial terms.

### 3. SCOPE OF THE IPT MANDATE

3.1 The EAR Group engages in a wide range of activities (as described in paragraph 6.1 below) for which the renewal of the IPT Mandate is being sought.

3.2 The IPT Mandate does not cover any transaction by a company in the EAR Group with a Mandated Interested Person that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the SGX-ST Listing Manual would not apply to such transactions.

3.3 Transactions with interested persons (including the Mandated Interested Persons) that do not fall within the ambit of the IPT Mandate will be subject to the relevant provisions of Chapter 9 of the SGX-ST Listing Manual and/or other applicable provisions of the SGX-ST Listing Manual.

#### 4. BENEFIT TO SHAREHOLDERS

4.1 The IPT Mandate (and its subsequent renewal thereafter on an annual basis) will enhance the ability of companies in the EAR Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the relevant company in the EAR Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives.

#### 5. MANDATED INTERESTED PERSONS

5.1 The IPT Mandate applies to the Mandated IPTs (as described in paragraph 6.1 below) which are carried out with China Everbright Group Ltd. and its associates (the "**China Everbright Group**").

5.2 Transactions with Mandated Interested Persons which do not fall within the ambit of the IPT Mandate shall be subject to the relevant provisions of Chapter 9 of the SGX-ST Listing Manual.

#### 6. CATEGORIES OF MANDATED IPTS

6.1 The Mandated IPTs with the Mandated Interested Persons (as described in paragraph 5.1 above) which are covered by the IPT Mandate and the benefits to be derived therefrom are set out below:

##### **6.1.1 General Transactions**

This category relates to general transactions ("**General Transactions**") in connection with the provision to, or the obtaining from, Mandated Interested Persons of products and services in the normal course of business of the EAR Group or which are necessary for the day-to-day operations of the EAR Group comprising the following:

(i) *Environmental Activities*

The products and services under this sub-category are:

- (a) the provision of waste water treatment and reusable water services;

- (b) the provision of waste leachate treatment services;
- (c) the receipt of sludge treatment and disposal (including sludge incineration and sanitary landfill) services;
- (d) the receipt of hazardous waste treatment services;
- (e) the receipt of environmental energy products (including steam and electricity); and
- (f) the collaboration in engineering, procurement and construction services to build infrastructure facilities in connection with the environmental protection projects.

(ii) *Insurance Activities*

The products and services under this sub-category are the purchase of insurance and the obtaining of insurance-related services.

(iii) *General Activities*

The products, facilities and services under this sub-category are:

- (a) the leasing and rental (as lessor and lessee) of properties for residential, industrial and commercial purposes; and
- (b) the provision or the obtaining of property management services in connection with the activity mentioned in paragraph 6.1.1(iii)(a) above.

The EAR Group will benefit from having access to competitive quotes from the different companies in the different industries within the China Everbright Group in addition to obtaining quotes from, or transacting with, non-Mandated Interested Persons.

The headings in this paragraph 6.1.1 are inserted for branding purposes only and shall be ignored in construing the types of General Transactions which are covered by the IPT Mandate.

### ***6.1.2 Treasury Transactions***

Treasury transactions (“**Treasury Transactions**”) comprise (a) the placement of funds or deposits with any Mandated Interested Person, (b) the borrowing of funds from any Mandated Interested Person, (c) the entry into with any Mandated Interested Person of forex, swap and option transactions for hedging purposes, (d) the issue of debt securities (including but not limited to corporate bonds and/or asset backed securities) to any Mandated Interested Person, (e) the receipt of underwriting and advisory services from any Mandated Interested Person in relation to issuance and/or quotation of securities (including but not limited to convertible bonds, hybrid bonds, corporate bonds, asset backed securities, ordinary shares, preference shares, rights and/or other securities) issued by the EAR Group, and (f) the receipt of fund management services from any Mandated Interested Person.

Considering China Everbright Group’s rich experience and resources in the financial services and asset management industries, the EAR Group can benefit from competitive rates and quotes in an expedient manner on the Treasury Transactions.

### ***6.1.3 Management and Support Services***

The EAR Group may, from time to time, receive management and support services from, or provide management and support to, its Mandated Interested Persons in the areas of finance, treasury, management information systems, and human resources management and development (“**Management Support Services**”). By having access to and providing such management support, the EAR Group will derive operational and financial leverage in its dealings with third parties as well as benefits from the global network of its Mandated Interested Persons.

## **7. REVIEW PROCEDURES FOR MANDATED IPTS**

**7.1** The EAR Group has established the following procedures to ensure that Mandated IPTs are undertaken on an arm’s length basis and on normal commercial terms:

### ***7.1.1 General Transactions***

#### *Review Procedures*

In general, there are procedures established by the EAR Group to ensure that General Transactions with Mandated Interested Persons are undertaken on an arm’s length basis and on normal commercial terms consistent with the EAR

Group's usual business practices and policies, which are generally no more favourable to the Mandated Interested Persons than those extended to unrelated third parties.

In particular, the following review procedures have been put in place.

(a) Provision of services or the sale of products

The review procedures are:

- (i) all contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market rates or prices of the service or product providers, on terms which are no more favourable to the Mandated Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates/prices/discounts accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms; and
- (ii) where the prevailing market rates or prices are not available due to the nature of service to be provided or the product to be sold, the EAR Group's pricing for such services to be provided or products to be sold to Mandated Interested Persons is determined in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the EAR Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by Mandated Interested Persons for such services or products, factors such as, but not limited to, quantity, volume consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction will be taken into account.

(b) Obtaining of services or the purchasing of products

The review procedures are:

- (i) all contracts entered into or transactions with Mandated Interested Persons are to be carried out by obtaining quotations (wherever possible or available) from at least two other unrelated third party suppliers for similar quantities and/or quality of services or products, prior to the entry into of the contract or transaction with the Mandated Interested Person, as a basis for comparison to determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable and comparable to those offered by other unrelated third parties for the same or substantially similar type of services or products. In determining whether the price and terms offered by the Mandated Interested Person are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts accorded for bulk purchases, will also be taken into account; and
- (ii) in the event that such competitive quotations cannot be obtained (for instance, if there are no unrelated third party vendors of similar products or services, or if the product is a proprietary item), the senior management staff of the relevant company in the EAR Group (with no interest, direct or indirect in the transaction), will determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable.

### *7.1.2 Treasury Transactions*

#### *Placements*

In relation to the placement or deposit with any Mandated Interested Person by the EAR Group of its funds, the Company will require that quotations shall be obtained from such Mandated Interested Person and at least two banks for rates of deposits with such bankers of an equivalent amount, and for the equivalent period, of the funds to be placed by the EAR Group. The EAR Group will only place or deposit its funds with such Mandated Interested Person, provided that the terms quoted are no less favourable than the terms quoted by such banks for equivalent amounts. In addition, the Audit Committee will also evaluate the credit risks of the Mandated Interested Person to ensure that risks of default have been considered when determining whether or not to allow for the placement or deposit.

#### *Borrowings*

In relation to the borrowing of funds from any Mandated Interested Person by the EAR Group, the Company will require that quotations shall be obtained from such Mandated Interested Person and at least two banks for rates for loans from such banks of an equivalent amount, and for the equivalent period, of the funds to be borrowed. The EAR Group will only borrow funds from such Mandated Interested Person, provided that the terms quoted are no less favourable than those quoted by such banks.

#### *Debt Securities*

In relation to the issue to Mandated Interested Persons of debt securities (including but not limited to corporate bonds and/or asset backed securities), the EAR Group will only issue such debt securities to Mandated Interested Persons provided that the price(s) at which the EAR Group issues such debt securities will not be lower than the price(s) at which such debt securities are issued to third parties. The EAR Group will also comply with all applicable laws and regulations in connection with the issue of such debt securities to Mandated Interested Persons.

*Underwriting and Advisory Services*

In relation to underwriting and advisory services provided by any Mandated Interested Persons, the Company will require that quotations shall be obtained from such Mandated Interested Person and at least two other counterparties. The EAR Group will only agree to allow Mandated Interested Persons to underwrite and/or advise on the issuance and/or quotation of the securities (including but not limited to convertible bonds, hybrid bonds, corporate bonds, asset backed securities, ordinary shares, preference shares, rights and/or other securities) issued by the EAR Group, provided that the price(s) or fee(s) at which the Mandated Interested Persons underwrite and/or advise such securities will not be higher than the price(s) or fee(s) at which such securities are underwritten or advised by third parties.

*Forex, Swaps, Options*

In relation to forex, swap and option transactions with any Mandated Interested Person by the EAR Group, the Company will require that rate quotations shall be obtained from such Mandated Interested Person and at least two banks. The EAR Group will only enter into such forex, swap or option transactions with such Mandated Interested Person provided that such terms quoted are no less favourable than the terms quoted by such banks.

*Fund Management Services*

In relation to fund management services provided by any Mandated Interested Persons, the Company will require that quotations shall be obtained from such Mandated Interested Person and at least two other counterparties. The EAR Group will only agree to allow Mandated Interested Persons to provide fund management services to the EAR Group, provided that the price(s) or fee(s) at which the Mandated Interested Persons provides such fund management services will not be higher than the price(s) or fee(s) at which such services are provided for by third parties.

### *7.1.3 Management Support Services*

In relation to receiving Management Support Services, the Company shall endeavour to obtain a quotation from such Mandated Interested Person and at least two other potential service providers. The EAR Group shall then only be entitled to transact with the Mandated Interested Person on terms that are no less favourable than those quoted by such unrelated service providers.

In relation to the provision of Management Support Services to Mandated Interested Persons, the commercial terms for such transactions shall be at the prevailing market rates or prices that would be levied by other unrelated service providers for providing similar services or otherwise in accordance with applicable industry norms.

In the event that such competitive quotations or external benchmarks cannot be obtained (for instance, if there are no unrelated third party vendors which provide such services, or if the service is highly customised and cannot be provided by an external vendor), the EAR Group shall ensure that the commercial terms relating to any Management Support Services provided by or to any Mandated Interested Person shall be on an arm's length and normal commercial basis, having regard to other factors such as the actual time and costs incurred by the Mandated Interested Person or EAR Group entity for providing the specific service, and a reasonable margin which a third-party service provider would typically earn for providing services of a similar nature.

## **7.2 Threshold Limits**

In addition to the review procedures, the following threshold limits will be applied to supplement the internal systems of the EAR Group to ensure that Mandated IPTs are undertaken with the Mandated Interested Persons on an arm's length basis and on normal commercial terms:

- (a) individual transactions equal to or exceeding S\$100,000 but less than S\$1 million in value will be reviewed and approved by the chief financial officer of the Company;
- (b) individual transactions equal to or exceeding S\$1 million but less than S\$5 million in value will be reviewed and approved by the chief executive officer of the Company;
- (c) individual transactions equal to or exceeding S\$5 million but less than S\$20 million in value will be reviewed and approved by majority of the audit committee of the Company (the "**Audit Committee**"); and

(d) individual transactions equal to or exceeding S\$20 million in value shall be reviewed and approved by the board of Directors.

If any person specified above has an interest in a transaction falling within a category of transactions to be reviewed and approved by him, he will abstain from any decision making in respect of that transaction, and such transaction will be reviewed and approved by other persons who are authorised to review and approve that category of transactions, if any, who do not have any interest in that transaction.

If all persons who are authorised to review and approve a certain category of transactions abstain from voting, the transaction must be approved by the persons who are authorised to review and approve the next category of transactions that is higher in terms of value.

All Mandated IPTs entered into pursuant to the IPT Mandate shall be tabled to the Audit Committee for their review on a quarterly basis.

Individual transactions of a value less than S\$100,000 do not require review and approval and will not be taken into account in the aggregation referred to in sub-paragraphs (a) to (d) above.

- 7.3** The Company will maintain a register of transactions carried out with Mandated Interested Persons pursuant to the IPT Mandate (recording the basis, including the quotations obtained to support such basis, on which they were entered into), and the Company's internal audit plan will incorporate a review of all transactions entered into in the relevant financial year pursuant to the IPT Mandate.
- 7.4** The Audit Committee of the Company shall review these internal audit reports on Mandated IPTs to ascertain that the established review procedures to monitor Mandated IPTs have been complied with.
- 7.5** If during these periodic reviews by the Audit Committee, the Audit Committee is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the EAR Group are conducted, the Company will revert to Shareholders for a fresh mandate based on new guidelines and review procedures to ensure that Mandated IPTs will be on an arm's length basis and on normal commercial terms.

**8. VALIDITY PERIOD OF THE IPT MANDATE**

The IPT Mandate, as renewed, will take effect from the passing of the ordinary resolution relating thereto, and will (unless revoked or varied by the Company in a general meeting) continue in force until the next annual general meeting of the Company following thereafter. Approval from Shareholders will be sought for the renewal of the IPT Mandate at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of its continued application to the transactions with Mandated Interested Persons.

**9. DISCLOSURE IN ANNUAL REPORT**

**9.1** The Company will announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT Mandate for the relevant financial periods which the Company is required to report on pursuant to the SGX-ST Listing Manual and within the time required for the announcement of such report.

**9.2** Disclosure will be made in the Company's annual report ("**Annual Report**") of the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT Mandate during the financial year, and in the Annual Reports for subsequent financial years that the IPT Mandate continues in force, in accordance with the requirements of Chapter 9 of the SGX-ST Listing Manual.

Details of the Amendments are set out as follows:

**Bye-laws No.  
(original No./  
new No.)**

**Amendments**

1. Inserting the words in underline and deleting the words in strikethrough:
 

“Depository”	The Central Depository (Pte) Limited or any other corporation approved by the Monetary Authority of Singapore as a depository company or corporation for the purposes of the <u>Securities and Futures Act 2001 of Singapore</u> <del>SEA</del> , which operates the Central Depository System for the holding and transfer of book-entry securities.
“Depository Agent”	a member of the <u>Singapore Exchange Securities Trading Limited</u> <del>SGX-ST</del> , a trust company (licensed under the Trust Companies Act <del>2005, Chapter 336</del> of Singapore), a bank (licensed under the Banking Act <del>1970, Chapter 19</del> of Singapore), any merchant bank approved as a financial institution under the Monetary Authority of Singapore Act <del>1970, Chapter 186</del> of Singapore, or body approved by the Depository who or which: <ol style="list-style-type: none"> <li>(a) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between the Depository and the Depository Agent;</li> <li>(b) deposits book-entry securities with the Depository on behalf of the sub-account holders; and</li> <li>(c) establishes an account in its name with the Depository.</li> </ol>
“ <u>Rules of the Designated Stock Exchange</u> ”	<u>the listing rules of the Designated Stock Exchange.</u>

“Statutes” all laws, bye-laws, regulations, orders and every other statute/or official directions or any statutory modification, amendment or re-enactment thereof for the time being in force concerning companies and affecting or applicable to the Company, its memorandum of association and/or these Bye-laws, including but not limited to the Act, the ~~listing rules~~ Rules of the Designated Stock Exchanges, the Companies Act 1967 of Singapore, the Securities and Futures Act 2001 (~~Chapter 289~~ of Singapore), the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

2. Inserting the words in underline and deleting the words in strikethrough:

(j) a special resolution or an extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes; ~~and~~

(k) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not; and

(l) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by Members, being entitled so to do, voting in person or, in the case of Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 58.

3. Inserting the words in underline and deleting the words in strikethrough:
- (2) The Board may authorise the purchase by the Company of its own shares, to be held as treasury shares pursuant to section 42B of the Act or to be cancelled pursuant to section 42A(6) of the Act, upon such terms and conditions as it thinks fit and shall also be subject to the Act and, for so long as the shares of the Company are listed on the Designated Stock Exchange, the prior approval of the Members in general meeting for such purchase or acquisition (such approval to state the shares which may in aggregate be purchased or acquired during any one financial year of the Company). Such approval of the Members shall remain in force until (i) the conclusion of the annual general meeting of the Company following the passing of the resolution granting the said authority or (ii) the date by which such annual general meeting is required to be held or (iii) it is revoked or varied by ordinary resolution of the Company in general meeting, whichever is the earliest, and may thereafter be renewed by the Members in general meeting. For so long as the shares of the Company are listed on the Designated Stock Exchange, the Company shall make an announcement in accordance with the relevant ~~listing rules~~Rules of the Designated Stock Exchange of any purchase or acquisition by the Company of its own shares. If the Company holds shares as treasury shares, the Company shall be entered in the Register as a Member in respect of the shares held by the Company as treasury shares and shall be a Member of the Company but subject always to the provisions of the Act and for the avoidance of doubt the Company shall not exercise any rights and shall not enjoy or participate in any of the rights attaching to those treasury shares save as expressly provided for in the Act.
9. Inserting the words in underline and deleting the words in strikethrough:
- (1) In the event of preference shares being issued the total ~~nominal value~~number of issued preference shares shall not at any time exceed the total ~~nominal value~~number of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and financial statements and attending general meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrear.

10. Deleting the words in strikethrough:

Whenever the share capital of the Company is divided into different class of shares, subject to the provisions of the Statutes and without prejudice to Bye-law 8, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be varied or abrogated ~~either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or~~ with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting and all adjournments thereof all the provisions of these Bye-laws relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum (other than at an adjourned meeting) shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of not less than three-quarters in nominal value of the issued shares of the class concerned within two months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting.

22. Inserting the words in underline:

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not. Such liens shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

44. Inserting the words in underline:

The Register and branch register of Members (other than the branch register of Members kept in Hong Kong), as the case may be, shall be open to inspection between 10.00 a.m. and 12.00 noon on every business day by Members without charge or by any other person, upon a maximum payment of five Bermuda dollars (BD\$5.00), at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or, if appropriate, upon a maximum payment of ten Singapore dollars (S\$10.00) at the Registration Office in (for so long as the Board determines to keep a branch register of members in Singapore) Singapore, or at the office of a share transfer agent of the Company. Except when the register is closed, any Members may inspect during business hours any register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance (Chapter 622 of the laws of Hong Kong). The Register including any overseas or local or other branch register of Members may, after notice has been given in accordance with the requirements of the Designated Stock Exchange or by any electronic means as may be accepted by the Designated Stock Exchange, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

48. Inserting the words in underline and deleting the words in strikethrough:

(4) Subject to, and in accordance with, the Statutes and any applicable ~~rules~~Rules of the Designated Stock Exchange and unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act.

55. Inserting the words in underline and deleting the words in strikethrough:
- An annual general meeting of the Company shall be held in each financial year ~~other than the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules or regulations of the Designated Stock Exchange, if any) at such time~~ and place as may be determined by the Board, subject to sufficient notice to Members as per the Rules of the Designated Stock Exchange. If required by the ~~listing rules~~Rules of the Designated Stock Exchange, all general meetings of the Company shall be held in Singapore, unless prohibited by relevant laws and regulations of Bermuda, or unless such requirement is waived by the Designated Stock Exchange. In addition, for so long as the shares of the Company are listed on the Designated Stock Exchange, the interval between the close of the Company's financial year and the date of the Company's annual general meeting shall not exceed four (4) months or such other period as may be prescribed by the Designated Stock Exchange.
57. Inserting the words in underline:
- The Board may whenever it thinks fit call special general meetings, and, subject to the Act, Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, and to add resolutions to the meeting agenda; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.

58. Inserting the words in underline and deleting the words in strikethrough:
- (1) An annual general meeting and a general meeting (including a special general meeting) at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days ~~or twenty (20) clear business days (whichever is longer)~~. All other general meetings (including all other special general meetings) must be called by Notice of not less than fourteen (14) clear days ~~or ten (10) clear business days (whichever is longer)~~. A general meeting, whether or not a special resolution will be considered at such meeting, may be called by shorter notice if it is so agreed:-
    - (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
    - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent (95%) in nominal value of the issued shares of the Company giving that right.
  - (2) For so long as the shares of the Company are listed on the Singapore Exchange Securities Trading Limited, at least fourteen (14) days' notice of any general meeting (or twenty-one (21) days' notice in the case of any general meeting at which the passing of a special resolution is to be considered) shall be given in writing to the Designated Stock Exchange and in at least one English Language daily newspaper circulating in Singapore.

60. Inserting the following as a new bye-law immediately after Bye-law 60(1):
- (1A) All Members have the right to (a) speak at general meeting; and (b) vote at a general meeting except where a Member is required, by the Rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.
- 75A. Inserting the words in underline and deleting the words in strikethrough:
- Where the Company has knowledge that any Member is, under the ~~rules~~Rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
77. Inserting the words in underline and deleting the words in strikethrough:
- (1)(a) the Depository or a clearing house may appoint more than two proxies to attend and vote at ~~the same general meeting~~any meeting of the Company (including but not limited to general meetings and creditors meetings) and each proxy shall be entitled to exercise the same powers on behalf of the Depository or a clearing house as the Depository or a clearing house could exercise, including, notwithstanding Bye-law 65, the right to speak and the right to vote individually on a show of hands;
- (1)(b) unless the Depository or a clearing house specifies otherwise in a written notice to the Company, the Depository or a clearing house shall be deemed to have appointed as the Depository's or a clearing house's proxies to vote on behalf of the Depository or a clearing house at a ~~general~~ meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the Depository or a clearing house seventy-two (72) hours prior to the time of the relevant ~~general~~ meeting supplied by the Depository or a clearing house to the Company and notwithstanding any other provisions in these Bye-laws, the appointment of proxies by virtue of this Bye-law 77(1)(b) shall not require an instrument of proxy or the lodgement of any instrument of proxy;

(1)(c) the Company shall accept as valid in all respects the form of instrument of proxy approved by the Depository or a clearing house (the “Proxy Form”) for use at the date relevant to the ~~general~~-meeting in question naming a Depositor (the “Nominating Depositor”) and permitting that Nominating Depositor to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository or a clearing house. The Company shall, in determining rights to vote and other matters in respect of a completed Proxy Form submitted to it, have regard to the instructions given by and the notes (if any) set out in the Proxy Form. The submission of any Proxy Form shall not affect the operation of Bye-law 77(1)(b) and shall not preclude a Depositor appointed as a proxy by virtue of Bye-law 77(1)(b) from attending and voting at the relevant meeting but in the event of attendance by such Depositor the Proxy Form submitted bearing his name as the Nominating Depositor shall be deemed to be revoked;

(1)(d) the Company shall reject any Proxy Form of a Nominating Depositor if his name is not shown in the records of the Depository or a clearing house seventy-two (72) hours prior to the time of the relevant ~~general~~-meeting supplied by the Depository or a clearing house to the Company; and

(1)(e) on a poll the maximum number of votes which a Depositor, or proxies appointed pursuant to a Proxy Form in respect of that Depositor, is able to cast shall be the number of shares credited to the Securities Account of that Depositor as shown in the records of the Depository or a clearing house seventy-two (72) hours prior to the time of the relevant ~~general~~-meeting supplied by the Depository or a clearing house to the Company, whether that number is greater or smaller than the number specified in any Proxy Form or instrument of proxy executed by or on behalf of the Depository or a clearing house.

84. Inserting the words in underline:

(1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution or an extraordinary resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

85. Inserting the words in underline and deleting the words in strikethrough:

(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his ~~period-term~~ of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

...

(6) Any Director appointed by the Board to fill a casual vacancy on the Board, or as an addition to the existing Board, shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

91. Deleting the words in strikethrough:

Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person (other than another Director) to be his alternate Director. Such appointment, unless previously approved by a majority of the Board, shall have effect only upon and subject to being so approved. Any person so appointed shall have all the rights and powers of the Director ~~or Directors~~ for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the person who appointed him or by the Board and, subject thereto, the office of alternate Director shall continue until the Director for whom such alternate Director was appointed ceases for any reason to be a Director. Any appointment or removal of an alternate Director may be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may not act as alternate to more than one Director. An alternate Director shall be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director.

100. Inserting the words in underline:

Subject to the Act, the Rules of the Designated Stock Exchange and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 101 herein.

136. Inserting the words in underline:

The Board may, subject to these Bye-laws, the Rules of the Designated Stock Exchange and in accordance with the Act, declare a dividend in any currency to be paid to the Members and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. The Company in general meeting may also, subject to these Bye-laws and in accordance with the Act, declare a dividend or such other distribution to be paid to the Members but no dividend or distribution shall be declared by the Company in general meeting in excess of the amount recommended by the Board.

150. Inserting the words in underline:

The records of account shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except when subject to the Rules of the Designated Stock Exchange or as conferred by law or authorised by the Board or the Company in general meeting.

152. Inserting the words in underline and deleting the words in strikethrough:

(1) Subject to Section 88 of the Act and the Rules of the Designated Stock Exchange, at each annual general meeting, the Members shall by ordinary resolution appoint an auditor to hold office until the close of the next annual general meeting, and if an appointment is not so made, the Auditor in office shall continue in office until a successor is appointed. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

...

(3) ~~The~~ Subject to the provisions of the Act, the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~ extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

154. Inserting the words in underline and deleting the words in strikethrough:  
  
The remuneration of the Auditor shall be fixed by the Company at a ~~general meeting~~ by ordinary resolution ~~or~~ in such manner as the Members may determine.

158A. Inserting the following as new bye-laws immediately after Bye-law 158:

(1) Without prejudice to the provisions of Bye-law 158, but subject otherwise to the Act and any regulations made thereunder and (where applicable) the Rules of the Designated Stock Exchange, relating to electronic communications, any notice or document (including, without limitation, any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Act or under these Bye-laws by the Company, or by the Directors, to a Member may be given, sent or served using electronic communications:-

- (a) to the current email address of the person; or
- (b) by making it available on a website prescribed by the Company from time to time.

in accordance with the provisions of these Bye-laws, the Act, the Rules of the Designated Stock Exchange, and/or any other applicable regulations or procedures.

(2) For the purposes of Bye-law 158A(1) above, subject to the Rules of the Designated Stock Exchange, a Member shall be deemed to have agreed to receive such notice or document by way of such electronic communications and shall not receive a physical copy of such notice or document, if the Member has been asked by the Company to agree to receiving such notice or document by way of such electronic communications and has not indicated their objection within twenty-eight (28) days from the date on which the Company's request was sent.

(3) Notwithstanding Bye-law 158A(2) above, Members may at any time by notice in writing served on the Company, make an election to receive a physical copy of such notice or document. Upon receipt of such election, the Company shall send to that Member such notice or document within seven days of such receipt. Until such election, a Member's election conveyed to the Company last in time prevails over all previous elections as the Member's valid and subsisting election in relation to all documents under Bye-law 158A(2) above.

(4) Where a notice or document is given, sent or served to a Member by making it available on a website pursuant to Bye-law 158A(1)(b), subject to the Rules of the Designated Stock Exchange and the Act, the Company shall give separate notice to the Member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:-

- (a) by sending such separate notice to the Member in person or through the post pursuant to Bye-law 158;
- (b) by sending such separate notice to the Member using electronic communications to his current email address pursuant to Bye-law 158A(1)(a);
- (c) by way of advertisement in the daily press; and/or
- (d) by way of announcement on the Designated Stock Exchange.

167.

Inserting the words in underline and deleting the words in strikethrough:

(2) For so long as the shares of the Company are listed on the Designated Stock Exchange, each Member shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in the percentage level of his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (i) the particulars of the shares beneficially owned by him, or (ii) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (iii) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) business days after (aa) becoming a substantial shareholder, (bb) the date of change in the percentage level of his interests, or (cc) the date of cessation, as the case may be. For the purposes of this Bye-law 167(2), the term “substantial shareholder” shall have the same meaning ascribed to it in Section 81(1) and 81(2) of the Companies Act 1967, ~~Chapter 50~~ of Singapore (the “Singapore Companies Act”) and the term “interest” or “interests” shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act and the term “percentage level” shall have the meaning ascribed to it in Section 83(3) of the Singapore Companies Act. The requirement to give notice under this Bye-law 167(2) shall not apply to the Depository.

168. Inserting the words in underline and deleting the words in strikethrough:

For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Sections 138, 139 and 140 of the Singapore Securities and Futures Act 2001 of Singapore~~(Chapter 289)~~, the Singapore Code on Take-overs and Mergers and the Codes on Takeover and Merger and Share Buy-backs of Hong Kong shall apply, mutatis mutandis, to all take-over offers for the Company.

**Bye-laws**

of

**CHINA EVERBRIGHT WATER LIMITED**

(formerly known as Bio-Treat Technology Limited and HanKore Environment Tech Group Limited)

(Adopted pursuant to special resolutions passed at ~~aan Special~~Annual General Meeting of the Company held on ~~16 November 2018~~ with effect on the date the shares in the share capital of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited 26 April 2023)

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INTERPRETATION

1. In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

<u>WORD</u>	<u>MEANING</u>
“Act”	the Companies Act 1981 of Bermuda as amended from time to time.
“associate”	the meaning attributed to it in the rules of the Singapore Exchange Securities Trading Limited.
“Auditor”	the auditor of the Company for the time being and may include any individual or partnership.
“Bye-laws”	these Bye-laws in their present form or as supplemented or amended or substituted from time to time.
“Board”	the board of directors appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum.
“book-entry securities”	listed securities:–  (a) documents evidencing title to which are deposited by a Depositor with the Depository or a clearing house and are registered in the name of the Depository or a clearing house (or its nominees); and  (b) which are transferable by way of book-entry in the Depository Register and not by way of an instrument of transfer.
“capital”	the share capital from time to time of the Company.

“clear days”	in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
“clearing house”	shall mean a clearing house (or its nominee(s)) recognized by the laws of any jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.
“close associate”	shall have the meaning attributed to it in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
“Company”	China Everbright Water Limited (formerly known as Bio-Treat Technology Limited and HanKore Environment Tech Group Limited), an exempted company incorporated in Bermuda.
“debenture” and “debenture holder”	include debenture stock and debenture stockholder respectively.
“Depositor”	a Direct Account Holder or a Depository Agent but does not include a sub-account holder.
“Depository”	The Central Depository (Pte) Limited or any other corporation approved by the Monetary Authority of Singapore as a depository company or corporation for the purposes of the <u>Securities and Futures Act 2001 of Singapore</u> <del>SFA</del> , which operates the Central Depository System for the holding and transfer of book-entry securities.
“Depository Agent”	a member of the <u>Singapore Exchange Securities Trading Limited</u> <del>SGX-ST</del> , a trust company (licensed under the Trust Companies Act <u>2005</u> , <del>Chapter 336</del> of Singapore), a bank (licensed under the Banking Act <u>1970</u> , <del>Chapter 19</del> of Singapore), any merchant bank approved as a financial institution under the Monetary Authority of Singapore Act <u>1970</u> , <del>Chapter 186</del> of Singapore, or body approved by the Depository who or which:  (a) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between the Depository and the Depository Agent;

- (b) deposits book-entry securities with the Depository on behalf of the sub-account holders; and
- (c) establishes an account in its name with the Depository.

“Designated Stock Exchange”	the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed or quoted on the Singapore Exchange Securities Trading Limited, The Stock Exchange of Hong Kong Limited for so long as the shares of the Company are listed on the Stock Exchange of Hong Kong Limited and/or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.
“Direct Account Holder”	a person who has a securities account directly with the Depository or a clearing house and not through a Depository Agent.
“Director”	a director of the Company and shall include an alternate director.
“head office”	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.
“market day”	a day on which the Designated Stock Exchange is open for trading in securities.
“Member” or “shareholder”	a duly registered holder from time to time of the shares in the capital of the Company.
“month”	a calendar month.
“Notice”	written notice as further provided in these Bye-laws unless otherwise specifically stated.
“Office”	the registered office of the Company for the time being.

“paid up”	paid up or credited as paid up.
“Register”	the principal register of members and where applicable, any branch register of members to be kept pursuant to the provisions of the Act.
“Registration Office”	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
<u>“Rules of the Designated Stock Exchange”</u>	<u>the listing rules of the Designated Stock Exchange.</u>
“Seal”	common seal or any one or more duplicate seals of the Company (including a securities seal) for use in Bermuda or in any place outside Bermuda.
“Secretary”	(i) any person, firm or corporation appointed by the Board as the secretary of the Company or (ii) all of the persons, firms or corporations appointed by the Board as joint secretaries of the Company acting jointly, as the case may be.
“Securities Account”	the securities account maintained by a Depositor with the Depository or a clearing house.
“Statutes”	all laws, bye-laws, regulations, orders and every other statute/ or official directions or any statutory modification, amendment or re-enactment thereof for the time being in force concerning companies and affecting <u>or applicable to</u> the Company, its memorandum of association and/or these Bye-laws, including but not limited to the Act, the <del>listing rules</del> <u>Rules of the Designated Stock Exchanges</u> , the <u>Companies Act 1967 of Singapore</u> , the <u>Securities and Futures Act (Chapter 289:2001 of Singapore)</u> , the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).
“year”	a calendar year.

2. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:–
- (a) words importing the singular include the plural and *vice versa*;
  - (b) words denoting the masculine gender include the feminine and neuter genders;
  - (c) words importing persons include companies, associations and bodies of persons whether corporate or not;
  - (d) the words:–
    - (i) “may” shall be construed as permissive;
    - (ii) “shall” or “will” shall be construed as imperative;
  - (e) expressions referring to writing or its cognates shall be construed as including facsimile printing, lithography, photography, electronic mail and other modes of representing words in a visible form;
  - (f) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;
  - (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws;
  - (h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by Members, being entitled so to do, voting in person or, in the case of Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 58;
  - (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by Members, being entitled so to do, voting in person or, in the case of Members being a corporation, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 58;

- (j) a special resolution or an extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes; ~~and~~
- (k) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not; and
- (l) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by Members, being entitled so to do, voting in person or, in the case of Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 58.

### SHARE CAPITAL

3. (1) \*The share capital of the Company shall be divided into shares of a par value of HK\$1.00 each.
- (2) The Board may authorise the purchase by the Company of its own shares, to be held as treasury shares pursuant to section 42B of the Act or to be cancelled pursuant to section 42A(6) of the Act, upon such terms and conditions as it thinks fit and shall also be subject to the Act and, for so long as the shares of the Company are listed on the Designated Stock Exchange, the prior approval of the Members in general meeting for such purchase or acquisition (such approval to state the shares which may in aggregate be purchased or acquired during any one financial year of the Company). Such approval of the Members shall remain in force until (i) the conclusion of the annual general meeting of the Company following the passing of the resolution granting the said authority or (ii) the date by which such annual general meeting is required to be held or (iii) it is revoked or varied by ordinary resolution of the Company in general meeting, whichever is the earliest, and may thereafter be renewed by the Members in general meeting. For so long as the shares of the Company are listed on the Designated Stock Exchange, the Company shall make an announcement in accordance with the relevant ~~listing rules~~ Rules of the Designated Stock Exchange of any purchase or acquisition by the Company of its own shares. If the Company holds shares as treasury shares, the Company shall be entered in the Register as a Member in respect of the shares held by the Company as treasury shares and shall be a Member of the Company but subject always to the provisions of the Act and for the avoidance of doubt the Company shall not exercise any rights and shall not enjoy or participate in any of the rights attaching to those treasury shares save as expressly provided for in the Act.

\*— As amended at a Special General Meeting held on 15 May 2014 and become effective on 22 May 2014

- (3) Subject to the provisions of the Act, these Bye-laws and the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority, the Company may give, whether directly or indirectly, whether by means of loan, guarantee, provision of security or otherwise, any financial assistance for the purpose of the acquisition or proposed acquisition by any person of any shares in the Company.

#### **ALTERATION OF CAPITAL**

4. The Company may from time to time by ordinary resolution in accordance with Section 45 of the Act:–
- (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
  - (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
  - (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
  - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association (subject, nevertheless, to the Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
  - (e) change the currency denomination of its share capital;
  - (f) make provision for the issue and allotment of shares which do not carry any voting rights; and

- (g) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.
5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Bye-law and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its authorised or issued share capital in any manner permitted by law.
7. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

### **SHARE RIGHTS**

8. Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.

9. (1) In the event of preference shares being issued the total ~~nominal value~~number of issued preference shares shall not at any time exceed the total ~~nominal value~~number of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and financial statements and attending general meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrear.
- (2) Subject to Sections 42 and 43 of the Act, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.
- (3) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

### VARIATION OF RIGHTS

10. Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Statutes and without prejudice to Bye-law 8, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be varied or abrogated ~~either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting and all adjournments thereof all the provisions of these Bye-laws relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum (other than at an adjourned meeting) shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever~~

the number of shares held by them) shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of not less than three-quarters in nominal value of the issued shares of the class concerned within two months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting. The foregoing provisions of this Bye-law shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

11. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.
- 11A. No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interest to the Company.

### SHARES

12. (1) Subject to the Act, no shares may be issued by the Board without the prior approval of the Company in general meeting but subject thereto and to these Bye-laws and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount, provided always that:—
  - (a) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the Members in general meeting;

- (b) (subject to any direction to the contrary that may be given by the Company in general meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Bye-law 12(2) with such adaptations as are necessary shall apply; and
- (c) any other issue of shares, the aggregate of which would exceed the limits referred to in Bye-law 12(3), shall be subject to the approval of the Company in general meeting.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

- (2) Except as permitted under the rules or regulations of the Designated Stock Exchange or any direction given by the Company in general meeting, all new shares shall before issue be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far 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. 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 Board may dispose of those shares in such manner as they think most beneficial to the Company. The Board 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 Board, be conveniently offered under this Bye-law 12(2).

- (3) Notwithstanding Bye-law 12(2) above but subject to the Statutes, the Company in general meeting may by ordinary resolution grant to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the said ordinary resolution, for further issues of shares where the aggregate number of shares to be issued pursuant to such authority does not exceed fifty per cent (50%) (or such other limit, if any, as may be prescribed by the Designated Stock Exchange) of the issued share capital of the Company at the time of the passing of the said ordinary resolution, of which the aggregate number of shares to be issued other than on a pro rata basis to Members does not exceed twenty per cent (20%) (or such other limit, if any, as may be prescribed by the Designated Stock Exchange) of the issued share capital of the Company at the time of the passing of the said ordinary resolution. Provided that such general authority shall only remain in force until (i) the conclusion of the annual general meeting of the Company following the passing of the resolution granting the said authority or (ii) the date by which such annual general meeting is required to be held or (iii) it is revoked or varied by ordinary resolution of the Company in general meeting, whichever is the earliest.
- (4) The Board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine, Provided that such issue must be specifically approved by the Company in general meeting if required by the rules or regulations of the Designated Stock Exchange.
- (5) Any shares of the Company held by the Company as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.
13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Act. Subject to the Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

15. (1) Subject to the terms and conditions of any application for shares, the Board shall allot shares applied for within ten (10) market days of the closing date of any such application (or such other period as may be approved by the Designated Stock Exchange).
- (2) Subject to the Act and these Bye-laws, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, 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 Board considers fit to impose.

### **SHARE CERTIFICATES**

16. Every share certificate shall be issued under the Seal or a facsimile thereof and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. Subject to Bye-law 133, the seal of the Company may only be affixed to a share certificate with the authority of the Directors. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.
- (2) Where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.
- (3) Where a share stands in the names of two or more persons, any request relating to cancellation or issue of share certificates may be made by any one of the registered joint holders.

18. (1) Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive one certificate for all shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such fee as is provided in Bye-law 18(2).
- (2) The fee payable in respect of share certificates referred to in this Bye-law and Bye-law 19 shall be an amount not exceeding two Singapore dollars (S\$2.00) per certificate or such other maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time waive such fee or determine a lower amount for such fee.
19. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him.
- (2) Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Board in its absolute discretion may require and such fee as is provided in Bye-law 18(2).
20. Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Board in its absolute discretion may require, every person whose name is entered as a Member in the Register shall be entitled to receive within ten (10) market days of the date of allotment (or such other period as may be approved by the Designated Stock Exchange) or within ten (10) market days after the date of lodgement of a registrable transfer (or such other period as may be approved by the Designated Stock Exchange) share certificates in reasonable denominations for the shares so allotted or transferred.

21. Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Designated Stock Exchange or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding two Singapore dollars (S\$2.00) as the Directors may from time to time require together with the amount of the stamp duty payable (if any) on each share certificate. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss, provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed.

### LIEN

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not. Such liens shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

23. Subject to these Bye-laws, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale or to his executors, administrators or assignees or as he may direct. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

### CALLS ON SHARES

25. Subject to these Bye-laws and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.
26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.
27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.

28. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent: (20%) per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part.
29. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
30. On the trial or hearing of any action or other proceedings 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 as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Bye-laws shall apply as if that amount had become due and payable by virtue of a call duly made and notified.
32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
33. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance of a call shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared or in profits.

**FORFEITURE OF SHARES**

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' Notice:—
- (a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and
  - (b) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited.
- (2) If the requirements of any such Notice are not complied with, any share in respect of which such Notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.
35. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such Notice.
36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-laws to forfeiture will include surrender.
37. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.
38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and

when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share. When any share shall have been forfeited, notice of the declaration shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.
40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
42. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**REGISTER OF MEMBERS**

43. (1) The Company shall keep in one or more books a Register and shall enter therein particulars required by the Act.
- (2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.
44. The Register and branch register of Members; (other than the branch register of Members kept in Hong Kong), as the case may be, shall be open to inspection between 10.00 a.m. and 12.00 noon on every business day by Members without charge or by any other person, upon a maximum payment of five Bermuda dollars (BD\$5.00), at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or, if appropriate, upon a maximum payment of ten Singapore dollars (S\$10.00) at the Registration Office in (for so long as the Board determines to keep a branch register of members in Singapore) Singapore, or at the office of a share transfer agent of the Company. Except when the register is closed, any Members may inspect during business hours any register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance (Chapter 622 of the laws of Hong Kong). The Register including any overseas or local or other branch register of Members may, after notice has been given in accordance with the requirements of the Designated Stock Exchange or by any electronic means as may be accepted by the Designated Stock Exchange, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

**RECORD DATES**

45. Notwithstanding any other provision of these Bye-laws the Company or the Directors may fix any date as the record date for:–
- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made; and
- (b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

### TRANSFER OF SHARES

46. Subject to these Bye-laws, any Member may transfer all or any of his shares by an instrument of transfer in the form acceptable to the Board provided always that the Company shall accept for registration an instrument of transfer in a form approved by the Designated Stock Exchange.
47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that an instrument of transfer in respect of which the transferee is the Depository or a clearing house shall be effective although not signed or witnessed by or on behalf of the Depository or a clearing house and provided further that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. The Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
48. (1) The Board may, in its absolute discretion and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share (not being a fully paid up share) on which the Company has a lien or, except in the case of a transfer to executors, administrators or trustees of the estate of a deceased Member, a transfer of any share to more than four (4) joint holders.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.
- (3) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

- (4) Subject to, and in accordance with, the Statutes and any applicable ~~rules~~Rules of the Designated Stock Exchange and unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act.
- (5) Save as provided in the Bye-laws, there shall be no restriction on the transfer of fully paid up shares (except where required by law or the rules or regulations of the Designated Stock Exchange) and such fully paid up shares shall also be free from all liens.
49. Without limiting the generality of the last preceding Bye-law, the Board may decline to recognise any instrument of transfer unless:–
- (a) a fee of such sum (not exceeding two Singapore dollars (S\$2.00) or such other maximum sum as the Designated Stock Exchange may determine to be payable) as the Board may from time to time require is paid to the Company in respect thereof;
  - (b) the instrument of transfer is in respect of only one class of share;
  - (c) the instrument of transfer is lodged at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board 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 that person so to do); and
  - (d) if applicable, the instrument of transfer is duly and properly stamped.
50. If the Board refuses to register a transfer of any share, it shall, within one (1) month after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

51. The registration of transfers of shares or of any class of shares may in accordance with the requirements of the Designated Stock Exchange be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

### **TRANSMISSION OF SHARES**

52. In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member. Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.
53. Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to 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.
54. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 74(2) being met, such a person may vote at meetings.

### UNTRACEABLE MEMBERS

- 54A. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye-law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- (2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:
- (a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws have remained uncashed;
  - (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
  - (c) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph 2(c) of this Bye-law and ending at the expiry of the period referred to in that paragraph.

- (3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Bye-law shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

### GENERAL MEETINGS

55. An annual general meeting of the Company shall be held in each financial year ~~other than the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules or regulations of the Designated Stock Exchange, if any)~~ at such time and place as may be determined by the Board, subject to sufficient notice to Members as per the Rules of the Designated Stock Exchange. If required by the ~~listing rules~~ Rules of the Designated Stock Exchange, all general meetings of the Company shall be held in Singapore, unless prohibited by relevant laws and regulations of Bermuda, or unless such requirement is waived by the Designated Stock Exchange. In addition, for so long as the shares of the Company are listed on the Designated Stock Exchange, the interval between the close of the Company's financial year and the date of the Company's annual general meeting shall not exceed four (4) months or such other period as may be prescribed by the Designated Stock Exchange.
56. Each general meeting, other than an annual general meeting, shall be called a special general meeting. General meetings may be held in any part of the world as may be determined by the Board.

57. The Board may whenever it thinks fit call special general meetings, and, subject to the Act, Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, and to add resolutions to the meeting agenda; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.

### NOTICE OF GENERAL MEETINGS

58. (1) An annual general meeting and a general meeting (including a special general meeting) at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days ~~or twenty (20) clear business days (whichever is longer)~~. All other general meetings (including all other special general meetings) must be called by Notice of not less than fourteen (14) clear days ~~or ten (10) clear business days (whichever is longer)~~. A general meeting, whether or not a special resolution will be considered at such meeting, may be called by shorter notice if it is so agreed:-
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent (95%) in nominal value of the issued shares of the Company giving that right.
- (2) For so long as the shares of the Company are listed on the Singapore Exchange Securities Trading Limited, at least fourteen (14) days' notice of any general meeting (or twenty-one (21) days' notice in the case of any general meeting at which the passing of a special resolution is to be considered) shall be given in writing to the Designated Stock Exchange and in at least one English Language daily newspaper circulating in Singapore.

- (3) The period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and the Notice shall specify the day, time and place of the meeting and, in case of special business, the general nature of the business. Any Notice of a general meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business. The Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.
- (4) The Secretary may postpone any general meeting called in accordance with the provisions of these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement is given to each Member before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each member in accordance with the provisions of these Bye-laws.
59. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

60. (1) Members may participate in any general meeting by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- (1A) All Members have the right to (a) speak at general meeting; and (b) vote at a general meeting except where a Member is required, by the Rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.
- (2) All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of declaring a dividend, the reading, considering and adopting of the financial statements and the reports of the Directors and Auditors and other documents required to be annexed to the financial statements, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.

- (3) No business, other than the appointment of a chairman of a meeting, shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Except as herein otherwise provided, two (2) Members present in person shall form a quorum, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy, or being a corporation by its representative duly authorized, shall form a quorum for the transaction of business at any general meeting of the Company held during such time. For the purposes of this Bye-law Member includes a person attending as a proxy or as a duly authorized representative of a corporation which is a Member.
61. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.
62. The president of the Company or the chairman shall preside as chairman at every general meeting. If at any meeting the president or the chairman, as the case may be, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or by proxy and entitled to vote shall elect one of their number to be chairman.
63. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.

64. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

### VOTING

65. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, all resolutions put to the vote at any general meeting shall be decided by way of poll (unless otherwise permitted by the Designated Stock Exchange). At any general meeting, on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder or which he represents and in respect of which all calls due to the Company have been paid, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.
- (2) At any general meeting, on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and the chairman of the meeting shall determine which proxy shall be entitled to vote where a Member (other than the Depository or a clearing house) is represented by two or more proxies.
- (3) Subject to Bye-law 65(1), at any general meeting, a resolution where, a show of hands is permitted, a poll may be demanded:
- (a) by the chairman of such meeting; or
  - (b) by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
  - (c) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or

- (d) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
  - (e) where the Depository or a clearing house is a Member, by at least three proxies representing the Depository or a clearing house.
- (4) A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.
- 65A. At least one scrutineer shall be appointed for each general meeting. The appointed scrutineer(s) shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s). The appointed scrutineer shall exercise the following duties:
- (a) ensuring that satisfactory procedures of the voting process are in place before the general meeting; and
  - (b) directing and supervising the count of the votes cast through proxy and in person.
66. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.
67. If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
68. 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 in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.

69. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
70. On a poll votes may be given either personally or by proxy.
71. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
72. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
73. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting 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 holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
74. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than seventy-two (72) hours before the time appointed for holding the meeting, or adjourned meeting or poll, as the case may be.

- (2) Any person entitled under Bye-law 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy-two (72) hours before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.
75. No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 75A. Where the Company has knowledge that any Member is, under the ~~rules~~Rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
76. If:–
- (a) any objection shall be raised to the qualification of any voter; or
  - (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
  - (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

### PROXIES

77. (1) Any Member entitled to attend and vote at a general meeting of the Company who is the holder of two or more shares shall be entitled to appoint not more than two proxies to attend and vote instead of him at the same general meeting provided that if the Member is the Depository or a clearing house:-
- (a) the Depository or a clearing house may appoint more than two proxies to attend and vote at ~~the same general meeting~~any meeting of the Company (including but not limited to general meetings and creditors meetings) and each proxy shall be entitled to exercise the same powers on behalf of the Depository or a clearing house as the Depository or a clearing house could exercise, including, notwithstanding Bye-law 65, the right to speak and the right to vote individually on a show of hands;
  - (b) unless the Depository or a clearing house specifies otherwise in a written notice to the Company, the Depository or a clearing house shall be deemed to have appointed as the Depository's or a clearing house's proxies to vote on behalf of the Depository or a clearing house at a ~~general~~ meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the Depository or a clearing house seventy-two (72) hours prior to the time of the relevant ~~general~~ meeting supplied by the Depository or a clearing house to the Company and notwithstanding any other provisions in these Bye-laws, the appointment of proxies by virtue of this Bye-law 77(1)(b) shall not require an instrument of proxy or the lodgement of any instrument of proxy;
  - (c) the Company shall accept as valid in all respects the form of instrument of proxy approved by the Depository or a clearing house (the "Proxy Form") for use at the date relevant to the ~~general~~ meeting in question naming a Depositor (the "Nominating Depositor") and permitting that Nominating Depositor to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository or a clearing house. The Company shall, in determining rights to vote and other matters in respect of a completed Proxy Form submitted to it, have regard to the instructions given by and the notes (if any) set out in the Proxy Form. The submission of any Proxy Form shall not affect the operation of Bye-law 77(1)(b) and shall not preclude a Depositor appointed as a proxy by virtue of Bye-law 77(1)(b) from attending and voting at the relevant meeting but in the event of attendance by such Depositor the Proxy Form submitted bearing his name as the Nominating Depositor shall be deemed to be revoked;

- (d) the Company shall reject any Proxy Form of a Nominating Depositor if his name is not shown in the records of the Depository or a clearing house seventy-two (72) hours prior to the time of the relevant ~~general~~ meeting supplied by the Depository or a clearing house to the Company; and
  - (e) on a poll the maximum number of votes which a Depositor, or proxies appointed pursuant to a Proxy Form in respect of that Depositor, is able to cast shall be the number of shares credited to the Securities Account of that Depositor as shown in the records of the Depository or a clearing house seventy-two (72) hours prior to the time of the relevant ~~general~~ meeting supplied by the Depository or a clearing house to the Company, whether that number is greater or smaller than the number specified in any Proxy Form or instrument of proxy executed by or on behalf of the Depository or a clearing house.
- (2) In any case where an instrument of proxy appoints more than one proxy (including the case when a Proxy Form is used), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy (or in any related attachment).
- (3) A proxy need not be a Member. In addition, subject to Bye-law 77(1), a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise, including, notwithstanding Bye-law 65, the right to vote individually on a show of hands. On a poll, a proxy need not use all the votes he is entitled to cast or cast all such votes in the same way.
78. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same or, in the case of the Depository or a clearing house, signed by its duly authorised officer by some method or system of mechanical signature as the Depository or a clearing house may deem appropriate. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.

79. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed on behalf of the appointor (which shall, for this purpose, include a Depositor), or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than seventy-two (72) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than seventy-two (72) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
80. Instruments of proxy shall be in any usual or common form (including any form approved from time to time by the Depository or a clearing house) or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
81. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.
82. Anything which under these Bye-laws a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Bye-laws relating to proxies and instruments appointing proxies shall apply *mutatis mutandis* in relation to any such attorney and the instrument under which such attorney is appointed.

**CORPORATIONS ACTING BY REPRESENTATIVES**

83. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- (2) To the extent permitted by the Act, where a Member is the Depository (or its nominee) or a clearing house, in each case being a corporation, it may authorise such persons as it thinks fit to act as its proxies or representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such proxies or representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Depository (of its nominee) or the clearing house as if such person was the registered holder of the shares of the Company held by the Depository (or its nominee) or the clearing house in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.
- (3) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.

**WRITTEN RESOLUTIONS OF MEMBERS**

84. (1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution or an extraordinary resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

- (2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 85(4) or for the purposes set out in Bye-law 152(3) relating to the removal and appointment of the Auditor.

### **BOARD OF DIRECTORS**

85. (1) The Company may from time to time by ordinary resolution, determine the maximum number of directors and increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2). All Directors shall be natural persons. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter the Company may by ordinary resolution appoint any person to be a Director either as an additional Director or to fill a casual vacancy.
- (2) The Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting.
- (3) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.
- (4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his ~~period~~term of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.
- (5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed or, in the absence of such election or appointment, such general meeting may authorise the Board to appoint a Director to fill any vacancy in the number left unfilled.

- (6) Any Director appointed by the Board to fill a casual vacancy on the Board, or as an addition to the existing Board, shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

### **RETIREMENT OF DIRECTORS**

86. (1) Each Director shall retire at least once every three (3) years.
- (2) A retiring Director shall be eligible for re-election.
- (3) The Company at the meeting at which a Director retires under any provision of these Bye-laws may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:–
- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost; or
- (b) where such Director has given notice in writing to the Company that he is unwilling to be re-elected.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

87. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless Notice signed by a Member duly qualified to attend and vote at the meeting for which such notice is given of the intention to nominate that person for election as a Director and notice in writing duly signed by the nominee, of his willingness to be elected and signifying his candidature for office shall have been lodged at the Office at least eleven (11) clear days before the date of the general meeting. In the case of a person recommended by the Directors for election, nine (9) clear days' Notice only shall be necessary. Notice of each and every candidature for election to the Board shall be served on the Members at least seven (7) days prior to the meeting at which the election is to take place, provided that (if such Notice(s) are submitted after the despatch of the notice of the meeting appointed for such election) the period for lodgement of such Notice(s) shall commence on the day after the despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such meeting.

### **DISQUALIFICATION OF DIRECTORS**

88. The office of a Director shall be vacated if the Director:–
- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;
  - (2) becomes of unsound mind or dies;
  - (3) without special leave of absence from the Board, is absent from meetings of the Board for six (6) consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated;
  - (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
  - (5) is prohibited by law from being a Director;
  - (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws; or
  - (7) becomes disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds (in which event he must immediately resign from the Board).

### **EXECUTIVE DIRECTORS**

89. (1) The Board may from time to time appoint any one or more of its body to be a managing director or a person holding an equivalent position, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Bye-law shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause. Where the appointment is for a fixed term, such term shall not exceed five (5) years.

- (2) A managing director or a person holding an equivalent position shall at all times be subject to the control of the Board but subject thereto the Board may from time to time entrust to and confer upon a managing director for the time being such of the powers exercisable under these Bye-laws by the Board as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.
90. Notwithstanding Bye-laws 95, 96, 97 and 98, an executive director appointed to an office under Bye-law 89 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director, but he shall not in any circumstances be remunerated by a commission on or a percentage of turnover.

### ALTERNATE DIRECTORS

91. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person (other than another Director) to be his alternate Director. Such appointment, unless previously approved by a majority of the Board, shall have effect only upon and subject to being so approved. Any person so appointed shall have all the rights and powers of the Director ~~or Directors~~ for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the person who appointed him or by the Board and, subject thereto, the office of alternate Director shall continue until the Director for whom such alternate Director was appointed ceases for any reason to be a Director. Any appointment or removal of an alternate Director may be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may not act as alternate to more than one Director. An alternate Director shall be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director.

92. An alternate Director shall only be a Director for the purposes of the Act and shall only be subject to the provisions of the Act insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.
93. If the appointor of an alternate director is for the time being absent from his usual place of residence or otherwise not available or unable to act, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
94. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, however, such alternate Director or any other person may be re-appointed by the Directors to serve as an alternate Director PROVIDED always that, if at any meeting any Director retires but is re-elected at the same meeting, any appointment of such alternate Director pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired.

### **DIRECTORS' FEES AND EXPENSES**

95. The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting, 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 general meeting, and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.

96. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.
97. (1) Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-law.
- (2) The remuneration (including any remuneration under Bye-law 97(1) above) in the case of a Director other than an executive Director shall be payable by a fixed sum and shall not at any time be by commission on or percentage of the profits or turnover, and no director whether an executive Director or otherwise shall be remunerated by a commission on or percentage of turnover.
98. The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

### **DIRECTORS' INTERESTS**

99. A Director may:—
- (a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and, subject to the relevant provisions of the Act, upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Bye-law; and/or
- (b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director; and/or

- (c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Bye-laws the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.
100. Subject to the Act, the Rules of the Designated Stock Exchange and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 101 herein.

101. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or transaction or proposed contract or transaction with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or transaction is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye-law, a general Notice to the Board by a Director to the effect that:–

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or transaction which may after the date of the Notice be made with that company or firm; or
- (b) he is to be regarded as interested in any contract or transaction which may after the date of the Notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or transaction, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

102. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his close associate(s) has/have a material interest. Matters in which he shall not be considered to have a material interest shall include the following:–

- (a) any contract or arrangement for the giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associate(s) or obligations incurred or undertaken by him or any of his close associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

- (c) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (d) any proposal concerning any other company in which the Director or any of his close associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director or any of his close associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange) is/are beneficially interested in shares of that company, provided that the Director and any of his close associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares of any class of such company (or of any third company through which his interest or that of his close associates is derived);
- (e) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
  - (i) the adoption, modification or operation of any employees' share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
  - (ii) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his close associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; or
- (f) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer.

- (2) A company shall be deemed to be a company in which a Director owns five per cent (5%) or more if and so long as (but only if and so long as) he and his associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in (other than through his interest (if any) in the Company) five per cent (5%) or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.
- (3) Where a company in which a Director together with his associates (as defined by the rules or regulations, where applicable, of the Designated Stock Exchange) holds five per cent (5%) or more is materially interested in a contract or transaction, then that Director shall also be deemed materially interested in such contract or transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

### **GENERAL POWERS OF THE DIRECTORS**

103. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) except any power that by the Statutes or by these Bye-laws are required to be exercised by the Company in general meeting. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.

- (2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.
- (3) Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:–
- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.
  - (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
  - (c) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Act.
104. The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any regional or local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

105. The Board may by power of attorney appoint under the Seal any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it 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 Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the Seal.
106. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
107. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, 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 Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.
108. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.
- (2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

### **BORROWING POWERS**

109. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
110. Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
111. Any debentures, bonds or other securities may be issued at a discount (other than shares), 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.
112. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.
- (2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Act in regard to the registration of charges and debentures therein specified and otherwise.

### **PROCEEDINGS OF THE DIRECTORS**

113. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes (except where only two (2) Directors are present and form the quorum or when only two (2) Directors are competent to vote on the matter at issue) the chairman of the meeting shall have an additional or casting vote.
114. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board of which notice may be given in writing or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by the president or chairman, as the case may be, or any Director.

115. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate.
- (2) Directors may participate in any meeting of the Board by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- (3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
116. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board provided that if the number of Directors is reduced below the minimum number fixed by or in accordance with these Bye-laws as the quorum, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Bye-laws as the quorum or that there is only one continuing Director may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number, or summoning a general meeting of the Company. If there be no Directors or Director able or willing to act, then any two (2) Members may summon a general meeting for the purpose of appointing Directors.
117. The Board may elect a chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting neither the chairman nor any deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
118. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

119. (1) The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any directions which may be imposed on it by the Board.
- (2) All acts done by any such committee in conformity with such directions, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.
120. The meetings and proceedings of any committee consisting of two (2) or more members shall be governed by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any directions imposed by the Board under the last preceding Bye-law.
121. A resolution in writing signed by the majority of Directors shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number of Directors approving the resolution is sufficient to constitute a quorum and that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Bye-laws and further provided that no Director approving the resolution is aware of or has received any objection to the resolution from any Director. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid.
122. All acts done in good faith by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

### MANAGERS

123. The Board may from time to time appoint a general manager, a manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.
124. The appointment of such general manager, manager or managers may be for such period as the Board may decide, and the Board may confer upon him or them all or any of the powers of the Board as it may think fit.
125. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in their absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

### OFFICERS

126. (1) The officers of the Company shall consist of a president and vice-president or chairman and deputy chairman, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and these Bye-laws.
- (2) The Board shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a president and a vice-president or a chairman and a deputy chairman; and if more than one (1) Director is proposed for either of these offices, the election to such office shall take place in such manner as the Board may determine.
- (3) The officers shall receive such remuneration as the Board may from time to time determine.
- (4) Where the Company appoints and maintains a resident representative ordinarily resident in Bermuda in accordance with the Act, the resident representative shall comply with the provisions of the Act.

The Company shall provide the resident representative with such documents and information as the resident representative may require in order to be able to comply with the provisions of the Act. The resident representative shall be entitled to have notice of, attend and be heard at all meetings of the Board or of any committee appointed by the Board or general meetings of the Company.

127. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.
- (2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.
128. The president or the chairman, as the case may be, shall act as chairman at all meetings of the Members and of the Board at which he is present. In his absence or if he is not willing to act as chairman, a chairman shall be appointed or elected by those present at the meeting in accordance with these Bye-laws.
129. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.
130. A provision of the Act or of these Bye-laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

### **REGISTER OF DIRECTORS AND OFFICERS**

131. (1) The Board shall cause to be kept in one or more books at the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:–
- (a) in the case of an individual, his or her present first name, surname and address; and
- (b) in the case of a company, its name and registered office.

- (2) The Board shall within a period of fourteen (14) days from the occurrence of:–
- (a) any change among the Directors and Officers; or
  - (b) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change and of the date on which it occurred.
- (3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10:00 a.m. and 12:00 noon on every business day.
- (4) In this Bye-law “Officer” has the meaning ascribed to it in Section 92A(7) of the Act.

### MINUTES

132. (1) The Board shall cause Minutes to be duly entered in books provided for the purpose:–
- (a) of all elections and appointments of officers;
  - (b) of the names of the Directors present at each meeting of the Board and of any committee appointed by the Board;
  - (c) of all resolutions and proceedings of each general meeting of the Members and meetings of the Board.
- (2) Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the Office.

### SEAL

133. (1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal with the addition of the words “Securities Seal” on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person (including a Director) or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates

for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in the manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.

- (2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

### **AUTHENTICATION OF DOCUMENTS**

134. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

### **DESTRUCTION OF DOCUMENTS**

135. The Company shall be entitled to destroy the following documents at the following times:-
- (a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
  - (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;

- (c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;
- (d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and
- (e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that: (1) the foregoing provisions of this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim; (2) nothing contained in this Bye-law 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 case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Bye-law to the destruction of any document include references to its disposal in any manner.

### **DIVIDENDS AND OTHER PAYMENTS**

136. The Board may, subject to these Bye-laws, the Rules of the Designated Stock Exchange and in accordance with the Act, declare a dividend in any currency to be paid to the Members and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. The Company in general meeting may also, subject to these Bye-laws and in accordance with the Act, declare a dividend or such other distribution to be paid to the Members but no dividend or distribution shall be declared by the Company in general meeting in excess of the amount recommended by the Board.

137. Without prejudice to the generality of the above Bye-law 136 if at any time the share capital of the Company is divided into different classes, the Board may pay such dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of any dividend on any shares having deferred or non-preferential rights and may also pay periodically any fixed dividend which is payable on any shares of the Company.
138. No dividend shall be paid or distribution made if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.
139. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:—
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and
  - (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
140. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
141. No unpaid dividend or distribution or other moneys payable by the Company shall bear interest as against the Company.

142. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
143. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
144. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may 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 Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

145. (1) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:-
- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the Members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:-
    - (i) the basis of any such allotment shall be determined by the Board;
    - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
    - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
    - (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

- (b) that the Members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:–
- (i) the basis of any such allotment shall be determined by the Board;
  - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of paragraph (2) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights.
- (b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye-law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any Members with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

- (5) Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Bye-law shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

### **RESERVES**

146. Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

### **CAPITALISATION**

147. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be issued to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

148. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye-law and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

### ACCOUNTING RECORDS

149. The Board shall cause to be kept proper records of account with respect to all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; all sales and purchases of goods by the Company; the assets and liabilities of the Company; and all other matters required by the Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.
150. The records of account shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except when subject to the Rules of the Designated Stock Exchange or as conferred by law or authorised by the Board or the Company in general meeting.
151. (1) Subject to Sections 87A and 88 of the Act and Bye-law 151(2), a copy of the balance sheet and profit and loss account which is to be laid before a general meeting of the Company, made up to the end of the applicable financial year and including every document and all documents and information as required by the Statutes to be annexed thereto ("Financial Statements"), together with a copy of the Auditors' report and of the Directors' report, shall be delivered or sent by post to each person entitled thereto (the "Entitled Persons") at least twenty-one (21) days before the date of the general meeting provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.

- (2) To the extent permitted by and subject to compliance with Sections 87A and 87B of the Act and all applicable rules or regulations, including, without limitation, the Rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 151(1) shall be deemed satisfied in relation to any person by sending to the Entitled Persons in any manner not prohibited by the Statutes, summarised financial statements derived from the Financial Statements for the relevant period, instead of the Financial Statements. The summarised financial statements shall be accompanied by the Auditors' report and the Directors' report and shall be sent to the Entitled Persons not less than twenty-one (21) days before the general meeting at which the Financial Statements are to be laid. Entitled Persons who receive the summarised financial statements may elect, by notice in writing to the Company, to receive the Financial Statements. Financial Statements shall be sent within seven (7) days of receipt of the Entitled Person's election to receive the Financial Statements.

### AUDIT

152. (1) Subject to Section 88 of the Act and the Rules of the Designated Stock Exchange, at each annual general meeting, the Members shall by ordinary resolution appoint an auditor to hold office until the close of the next annual general meeting, and if an appointment is not so made, the Auditor in office shall continue in office until a successor is appointed. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the Auditor.
- (3) ~~The~~Subject to the provisions of the Act, the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
153. Subject to Section 88 of the Act, the financial statements of the Company shall be audited at least once in every year.

154. The remuneration of the Auditor shall be fixed by the Company ~~at~~ in general meeting by ordinary resolution ~~or~~ in such manner as the Members may determine.
155. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Board may appoint an auditor to fill the vacancy. An Auditor appointed pursuant to this Bye-law shall, subject to these Bye-laws, hold office until close of the next annual general meeting.
156. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.
157. The financial statements of the Company shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such financial statements are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If so, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

### NOTICES

158. Any Notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and (where appropriate) any other document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the Notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws,

by publishing it on the Company's website or the website of the Designated Stock Exchange, and giving to the Member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders. Nothing in this Bye-law shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

158A. (1) Without prejudice to the provisions of Bye-law 158, but subject otherwise to the Act and any regulations made thereunder and (where applicable) the Rules of the Designated Stock Exchange, relating to electronic communications, any notice or document (including, without limitation, any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Act or under these Bye-laws by the Company, or by the Directors, to a Member may be given, sent or served using electronic communications:-

(a) to the current email address of that person; or

(b) by making it available on a website prescribed by the Company from time to time, in accordance with the provisions of these Bye-laws, the Act, the Rules of the Designated Stock Exchange, and/or any other applicable regulations or procedures.

(2) For the purposes of Bye-law 158A(1) above, subject to the Rules of the Designated Stock Exchange, a Member shall be deemed to have agreed to receive such notice or document by way of such electronic communications and shall not receive a physical copy of such notice or document, if the Member has been asked by the Company to agree to receiving such notice or document by way of such electronic communications and has not indicated their objection within twenty-eight (28) days from the date on which the Company's request was sent.

(3) Notwithstanding Bye-law 158A(2) above, Members may at any time by notice in writing served on the Company, make an election to receive a physical copy of such notice or document. Upon receipt of such election, the Company shall send to that Member such notice or document within seven days of such receipt. Until such election, a Member's election conveyed to the Company last in time prevails over all previous elections as the Member's valid and subsisting election in relation to all documents under Bye-law 158A(2) above.

- (4) Where a notice or document is given, sent or served to a Member by making it available on a website pursuant to Bye-law 158A(1)(b), subject to the Rules of the Designated Stock Exchange and the Act, the Company shall give separate notice to the Member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:-
- (a) by sending such separate notice to the Member in person or through the post pursuant to Bye-law 158;
  - (b) by sending such separate notice to the Member using electronic communications to his current email address pursuant to Bye-law 158A(1)(a);
  - (c) by way of advertisement in the daily press; and/or
  - (d) by way of announcement on the Designated Stock Exchange.

159. Any Notice or other document:-

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the Notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;
- (c) if published on the Company's website or the website of the Designated Stock Exchange, shall be deemed to have been served or delivered on a Member on the day following that on which a notice of availability is deemed served on such Member;
- (d) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and

- (e) may be given to a Member either in English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.

Nothing in this Bye-law shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

159A. A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the listing rules of The Stock Exchange of Hong Kong Limited to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address.

160. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (2) A Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the Notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- (3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every Notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

### **SIGNATURES**

161. For the purposes of these Bye-laws, a cable or telex or facsimile transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.

### **WINDING UP**

162. (1) The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- (2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.
163. If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution 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 assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid 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 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 authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority 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 or other property in respect of which there is a liability.

### **INDEMNITY**

164. (1) The Directors, Secretary and other Officers (such term to include any person appointed by the Board to hold an office in the Company and any person appointed to any committee by the Board) for the time being acting in relation to any of the affairs of the Company, the Auditor for the time being and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them, and their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or

sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the said persons.

- (2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

**ALTERATION OF BYE-LAWS AND AMENDMENT TO  
MEMORANDUM OF ASSOCIATION AND NAME OF COMPANY**

165. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made without the prior written approval of the Designated Stock Exchange and until the same has been approved by a resolution of the Board and confirmed by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association or to change the name of the Company.

**INFORMATION**

166. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interests of the members of the Company to communicate to the public save as may be authorised by law or required by the rules or regulations of the Designated Stock Exchange.

**NOTIFICATION OF SHAREHOLDINGS BY DIRECTORS  
AND SUBSTANTIAL SHAREHOLDERS**

167. (1) For so long as the shares of the Company are listed on the Designated Stock Exchange, each Director shall, upon his appointment to the Board, give an undertaking to the Company that, for so long as he remains a Director, he shall forthwith notify the Secretary of the particulars of the shares beneficially owned by him at the time of his appointment and of any change in such particulars.
- (2) For so long as the shares of the Company are listed on the Designated Stock Exchange, each Member shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in the percentage level of his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (i) the particulars of the shares beneficially owned by him, or (ii) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (iii) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) business days after (aa) becoming a substantial shareholder, (bb) the date of change in the percentage level of his interests, or (cc) the date of cessation, as the case may be. For the purposes of this Bye-law 167(2), the term “substantial shareholder” shall have the same meaning ascribed to it in Section 81(1) and 81(2) of the Companies Act 1967, ~~Chapter 50~~ of Singapore (the “Singapore Companies Act”) and the term “interest” or “interests” shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act and the term “percentage level” shall have the meaning ascribed to it in Section 83(3) of the Singapore Companies Act. The requirement to give notice under this Bye-law 167(2) shall not apply to the Depository.
- (3) For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Section 92 of the Singapore Companies Act, giving the Company power to require disclosure of beneficial interest in its shares, shall apply.

**TAKE-OVER**

168. For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Sections 138, 139 and 140 of the Singapore Securities and Futures Act 2001 of ~~Singapore~~ ~~(Chapter 289)~~, the Singapore Code on Take-overs and Mergers and the Codes on Takeover and Merger and Share Buy-backs of Hong Kong shall apply, *mutatis mutandis*, to all take-over offers for the Company.

### COMPLIANCE WITH LAWS

169. Being a company incorporated in Bermuda and listed on the Designated Stock Exchanges, the Company is required to comply with the Statutes, including but not limited to the Statutes of Bermuda, Singapore and Hong Kong. In the event of any conflict among the Statutes, the Company shall comply with the most onerous Statute(s), subject to approvals from the relevant Designated Stock Exchange and/or government authorities.

### PERSONAL DATA

170. (1) To the extent permissible under the Statutes, a Member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes:
- (a) implementation and administration of any corporate action by the Company (or its agents or service providers);
  - (b) internal analysis and/or market research by the Company (or its agents or service providers);
  - (c) investor relations communications by the Company (or its agents or service providers);
  - (d) administration by the Company (or its agents or service providers) of that member's holding of shares in the Company;
  - (e) implementation and administration of any service provided by the Company (or its agents or service providers) to its members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
  - (f) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any general meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any general meeting (including any adjournment thereof);

- (g) implementation and administration of, and compliance with, any provision of these Bye-laws;
  - (h) compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines; and
  - (i) purposes which are reasonably related to any of the above purpose.
- (2) To the extent permissible under the Statutes, any member who appoints a proxy and/or representative for any general meeting and/or any adjournment thereof is deemed to have warranted that where such member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in Bye-laws 170:(1)(f) and 170:(1)(h), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such member's breach of warranty.

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## NOTICE OF ANNUAL GENERAL MEETING

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### CHINA EVERBRIGHT WATER LIMITED

中國光大水務有限公司

*(Incorporated in Bermuda with limited liability)*

(Hong Kong Stock Code: 1857)

(Singapore Stock Code: U9E)

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of China Everbright Water Limited (the “**Company**”) will be convened and held on Wednesday, 26 April 2023 at 9:30 a.m. (Singapore time), in compliance with Bermuda law, to transact the businesses below. The Annual General Meeting will be convened, and will be held, via electronic means pursuant to the *COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020*, and accordingly, the shareholders of the Company (the “**Shareholders**”) will NOT be able to attend the Annual General Meeting in person, and can only participate in the Annual General Meeting via electronic means.

#### AS ORDINARY BUSINESS

1. To receive and consider the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2022 and the Auditors’ Report thereon.

**(Resolution 1)**

2. To declare and pay a final one-tier tax exempt dividend of 5.14 Hong Kong cents (equivalent to 0.86 Singapore cent) per ordinary share for the financial year ended 31 December 2022 as recommended by the board (the “**Board**”) of directors (the “**Directors**”) of the Company.

**(Resolution 2)**

3. To approve the payment of Directors’ fees of S\$340,000 for the financial year ended 31 December 2022. (2021: S\$340,000)

**(Resolution 3)**

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## NOTICE OF ANNUAL GENERAL MEETING

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4. To re-elect Ms. Hao Gang, a Director retiring pursuant to the Bye-law 86(1) of the Bye-laws of the Company (the “**Bye-laws**”), and who, being eligible, will offer herself for re-election as a Director.

**(Resolution 4)**

*(See Explanatory Note i)*

5. To re-appoint Ernst & Young LLP as Auditor of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix its remuneration.

**(Resolution 5)**

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions and special resolution (as the case may be) with or without modifications:

6. Authority to allot and issue shares
- (a) That, pursuant to the Bye-laws, the Listing Manual (the “**SGX-ST Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX**” or “**SGX-ST**”) and the Rules (the “**SEHK Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**SEHK**”), approval be and is hereby given to the Board at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:
- (i) allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of right, bonus or otherwise;
- (ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares; and/or
- (iii) issue additional instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) (notwithstanding that the authority conferred by the Shareholders may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Board while the authority was in force, provided always that, subject to any applicable regulations as may be prescribed by SGX-ST and the SEHK,
- (i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to existing Shareholders does not exceed twenty per cent (20%) of the total number of issued Shares excluding treasury shares of the Company, and for the purpose of this Resolution, the issued Shares shall be the Company's total number of issued Shares excluding treasury shares at the time this Resolution is passed, after adjusting for:
- a) new Shares arising from the conversion or exercise of any convertible securities outstanding or subsisting at the date of the general meeting where the share issue mandate is approved;
- b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual and Chapter 17 of the SEHK Listing Rules; and
- c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (ii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the SGX-ST Listing Manual as amended from time to time (unless such compliance has been waived by SGX-ST), the SEHK Listing Rules as amended from time to time (unless such compliance has been waived by the SEHK) and the Bye-laws; and
- (iii) such authority shall, unless revoked or varied by the Company at a General Meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

*(See Explanatory Note ii)*

**(Resolution 6)**

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## NOTICE OF ANNUAL GENERAL MEETING

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7. Authority to allot and issue Shares under the China Everbright Water Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”)

That authority be and is hereby given to the Board to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme.

*(See Explanatory Note iii)*

**(Resolution 7)**

8. Renewal of the share buy-back mandate

That:

- (a) the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- (i) market purchase(s) on the SGX-ST and/or the SEHK; and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST and/or the SEHK, as the case may be) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall, as required under the SGX-ST Listing Manual, satisfy all the conditions prescribed by Section 76C of the Companies Act 1967 of Singapore (the “**Singapore Companies Act**”),

in accordance with the Companies Act 1981 of Bermuda (as amended), the SGX-ST Listing Manual, the SEHK Listing Rules, the Code on Share Buybacks of Hong Kong, and the Code on Takeovers and Mergers of Hong Kong, as may for the time being be applicable (the “**Share Buy-back Mandate**”);

- (b) unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing on and from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next Annual General Meeting of the Company is held;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the date on which the next Annual General Meeting of the Company is required by law to be held; and
  - (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) market days on which the Shares were transacted on the SGX-ST or the SEHK (“**Market Days**”), as the case may be, before the date of the market purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the SGX-ST Listing Manual for any corporate action which occurs during the relevant five (5) Market Days and the day on which the purchases are made;

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from the Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

“**Maximum Limit**” means the number of Shares representing 10 per cent (10%) of the total number of issued Shares as at the date of the passing of this Resolution (excluding any treasury shares and any Shares held by subsidiaries of the Company in the circumstances referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Singapore Companies Act); and

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

- (i) in the case of a market purchase of a Share, five per cent (5%) above the Average Closing Price; and
- (ii) in the case of an off-market purchase of a Share, five per cent (5%) above the Average Closing Price; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (d) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the Share Buy-back Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the Share Buy-back Mandate.

*(See Explanatory Note iv)*

**(Resolution 8)**

9. Renewal of the interested person transaction mandate

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the SGX-ST Listing Manual (“**Chapter 9**”), for the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9), or any of them, to enter into any of the transactions falling within the categories of interested person transactions described in Appendix 1 to the Company’s Circular to Shareholders dated 21 March 2023 (the “**Circular**”) with any party who is of the class of interested persons described in Appendix 1 to the Circular, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the “**IPT Mandate**”);
- (b) the renewal of the IPT Mandate above shall unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the IPT Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the IPT Mandate.

*(See Explanatory Note v)*

**(Resolution 9)**

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## NOTICE OF ANNUAL GENERAL MEETING

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10. Amendments to the Bye-laws and adoption of a new set of bye-laws

That:

- (a) the amendments to the Bye-laws (the “**Amendments**”), the details of which are set out in Appendix 2 to the Circular be and are hereby approved;
- (b) a new set of bye-laws of the Company (the “**New Bye-laws**”), which incorporates and consolidates all the Amendments, reproduced in their entirety in Appendix 3 to the Circular, be and is hereby approved and adopted as the new bye-laws in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect after the close of this Annual General Meeting; and
- (c) any Director be and is hereby authorised to do all things necessary to effect and record the adoption of the New Bye-laws.

*(See Explanatory Note vi)*

**(Resolution 10)**

11. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD  
**China Everbright Water Limited**  
**Kwan Yun Fui**  
*Legal Counsel and Joint Company Secretary*

Singapore and Hong Kong, 21 March 2023

*Notes:*

- 1. The Annual General Meeting is being convened, and will be held, by electronic means pursuant to the *COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020*.
- 2. Arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast, live audio-only webcast or live audio-only stream), submission of questions to the Chairman of the Annual General Meeting in advance of the Annual General Meeting, submission of questions during the Annual General Meeting via an online chat box, addressing of substantial and relevant questions (if any) at the Annual General Meeting and voting by appointing the Chairman of the Annual General Meeting as proxy at the Annual General Meeting and/or voting electronically during the Annual General Meeting, are set out in the Circular.

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## NOTICE OF ANNUAL GENERAL MEETING

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3. **The Annual General Meeting will be convened, and will be held, via electronic means, and accordingly, Shareholders will NOT be able to attend the Annual General Meeting in person, and can only participate in the Annual General Meeting via electronic means. A Shareholder (whether individual or corporate) must either appoint the Chairman of the Annual General Meeting as his/her/its proxy or (in the case of a Depositor (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore)) nominate the appointment of the Chairman of the Annual General Meeting as the proxy of The Central Depository (Pte) Limited (“CDP”) to attend, speak and vote on his/her/its behalf at the Annual General Meeting or pre-register as a Shareholder if such Shareholder or Depositor wishes to exercise his/her/its voting rights at the Annual General Meeting, whether as CDP’s proxy or on his/her/its own via electronic means.**

Where a Shareholder (whether individual or corporate) appoints the Chairman of the Annual General Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of each of the resolutions set out in the proxy form, failing which the Chairman of the Annual General Meeting may vote or abstain from voting at his/her/their discretion.

Completion and return of an instrument appointing the Chairman of the Annual General Meeting as proxy will not prevent a Shareholder from attending and voting via electronic means at the Annual General Meeting if he/she/it subsequently wishes to do so, provided that in the event of such attendance by the Shareholder via electronic means, the relevant instrument submitted by the Shareholder shall be deemed to be revoked.

4. The instrument appointing the Chairman of the Annual General Meeting as proxy must be signed by the appointer, or his/her attorney duly authorised in writing, or if in the case of a corporation, must be either executed under its common seal or under the hand of an officer or attorney so authorised on that corporation’s behalf.
5. The Chairman of the Annual General Meeting, as proxy, need not be a Shareholder of the Company.
6. For Singapore Shareholders, the depositor proxy form appointing the Chairman of the Annual General Meeting as proxy of CDP, duly completed, must be submitted by the Depositor in the following manner:
- (i) if submitted by post, by depositing the duly completed depositor proxy form at the office of the Company’s Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
  - (ii) if submitted electronically, by scanning and submitting the duly completed depositor proxy form via email to the Company’s Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at [CEWLAGM2023@boardroomlimited.com](mailto:CEWLAGM2023@boardroomlimited.com),

in either case, at least 72 hours before the time for holding the Annual General Meeting.

For Hong Kong Shareholders, the instrument appointing the Chairman of the Annual General Meeting as proxy must be submitted in the following manner:

- (i) if submitted by post, by depositing the duly completed proxy form with the Company’s Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F., 148 Electric Road, North Point, Hong Kong; or

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) if submitted electronically, by scanning and submitting the duly completed proxy form via email to the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at [srinfo.hk@boardroomlimited.com](mailto:srinfo.hk@boardroomlimited.com),

in either case, at least 72 hours before the time for holding the Annual General Meeting.

**Shareholders are strongly encouraged to scan and submit the completed proxy forms electronically via email.**

- 7. The Annual Report for the financial year ended 31 December 2022 (the “**2022 Annual Report**”) and the Circular may be accessed at the Company's website at [www.ebwater.com](http://www.ebwater.com) as follows:
  - (i) for the 2022 Annual Report, by going to “Investor Relations” and clicking on the hyperlink “Annual & Interim Reports”; and
  - (ii) for the Circular, by going to “Investor Relations” and clicking on the hyperlink “Announcements & Circulars – SGX” or “Announcements & Circulars – HKEX”.

Copies of the 2022 Annual Report and the Circular may also be accessed on the SGXNet ([www.sgx.com](http://www.sgx.com)) and the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).

*Explanatory Notes:*

- (i) Detailed information relating to Ms. Hao Gang is set out on page 50 of the 2022 Annual Report and in the section entitled “Biographical Details of Director” of the Circular.
- (ii) The Ordinary Resolution 6 proposed in item 6 is to authorise the Directors, subject to the applicable regulations as may be prescribed by the SGX-ST and the SEHK, from the date of the above Meeting until the next Annual General Meeting to allot and issue Shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 per cent (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the total number of Shares and convertible securities issued other than on a pro-rata basis to existing Shareholders shall not exceed 20 per cent (20%) of the total number of issued Shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the next Annual General Meeting of the Company.
- (iii) Pursuant to the Special General Meeting of the Company held on 28 October 2005, the Shareholders approved the passing of the ordinary resolution relating to the Scrip Dividend Scheme. In the circular dated 11 October 2005, the Scrip Dividend Scheme provides the Shareholders with the option to elect to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. The Ordinary Resolution 7 proposed in item 7, if passed, will empower the Directors to allot and issue Shares in the Company pursuant to the terms and conditions of the Scrip Dividend Scheme.

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iv) The Company intends to use internal sources of funds, external borrowings or a combination of internal resources and external borrowings, to finance the purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, the manner in which the purchase or acquisition is funded, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10 per cent (10%) of its issued Shares as at 9 March 2023, at a purchase price equivalent to the Maximum Price per Share, based on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2022 and certain assumptions, are set out in the section entitled "Financial Effects" of the Circular.
- (v) The Ordinary Resolution 9 proposed in item 9 is to approve the renewal of the IPT Mandate to enable the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9 of the SGX-ST Listing Manual), or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Circular. Please refer to the Circular for more details.
- (vi) The Special Resolution 10 proposed in item 10 is to approve the amendments to the Bye-laws and adoption of a new set of bye-laws. Please refer to the Circular for more details.

**Personal data privacy:**

By submitting a proxy form appointing the Chairman of the Annual General Meeting as a proxy to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman of the Annual General Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.