LETTER TO SHAREHOLDERS

FRASERS CENTREPOINT LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 196300440G

Directors:  Registered Office:
Mr Charoen Sirivadhanabhakdi (Non-executive and non-independent Chairman) 438 Alexandra Road
Khunying Wanna Sirivadhanabhakdi (Non-executive and non-independent Vice Chairman) #21-00 Alexandra Point
Mr Charles Mak Ming Ying (Non-executive and independent Director) Singapore 119958
Mr Chan Heng Wing (Non-executive and independent Director)
Mr Philip Eng Heng Nee (Non-executive and independent Director)
Mr Wee Joo Yeow (Non-executive and independent Director)
Mr Weerawong Chittmittrapap (Non-executive and independent Director)
Mr Chotiphat Bijananda (Non-executive and non-independent Director)
Mr Panote Sirivadhanabhakdi (Non-executive and non-independent Director)
Mr Sithichai Chaikriangkrai (Non-executive and non-independent Director)

9 January 2015

To: The Shareholders of Frasers Centrepoint Limited (the “Company”)

Dear Sir/Madam

THE PROPOSED RENEWAL OF THE SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. INTRODUCTION

1.1 Background. We refer to (a) the notice of the 51st Annual General Meeting (“AGM”) of the Company dated 9 January 2015 (the “Notice”), accompanying the Annual Report for the financial year ended 30 September 2014, convening the 51st AGM of the Company to be held on 30 January 2015, and (b) Resolution (8) under the heading “Special Business” set out in the Notice.

1.2 Advice to Shareholders. Shareholders of the Company (“Shareholders”) who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

1.3 SGX-ST. The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Letter.
2. THE PROPOSED RENEWAL OF THE SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS

2.1 IPT Mandate. At the Extraordinary General Meeting of the Company held on 28 May 2014 (the “2014 EGM”), approval of the Shareholders was obtained for, inter alia, the renewal of a mandate (the “IPT Mandate”) to enable the Company, its subsidiaries and associated companies that are considered to be “entities at risk” (as that term is used in Chapter 9 of the listing manual (the “Listing Manual”) of the SGX-ST), to enter into certain interested person transactions (“Mandated Transactions”) with specified classes of interested persons (“Mandated Interested Persons”). Particulars of the IPT Mandate are set out in Appendix F to the Circular to Shareholders dated 12 May 2014.

2.2 Proposed Renewal. The IPT Mandate was expressed to take effect until the conclusion of the next AGM of the Company, being the 51st AGM which is scheduled to be held on 30 January 2015. Accordingly, the Directors of the Company (“Directors”) propose that the IPT Mandate be renewed at the 51st AGM, to take effect until the 52nd AGM of the Company.

2.3 Particulars of the IPT Mandate. The nature of the interested person transactions and the classes of interested persons in respect of which the IPT Mandate is sought to be renewed remains unchanged. As at 12 December 2014, being the latest practicable date prior to the printing of this Letter (the “Latest Practicable Date”), each of Thai Beverage Public Company Limited, TCC Assets Limited, Fraser and Neave, Limited (“F&N”), Frasers Hospitality Trust (“FHT”) (which comprises Frasers Hospitality Real Estate Investment Trust (“FH-REIT”) and Frasers Hospitality Business Trust (“FH-BT”)), the Directors and their respective associates (but excluding the Company and its subsidiaries), are regarded as “interested persons” of the Company for the purposes of Chapter 9 of the Listing Manual. Particulars of the IPT Mandate, including the rationale for the IPT Mandate, the benefits to be derived by the Company, as well as the review procedures for determining transaction prices with the specified classes of interested persons (including the persons who shall abstain from participating in the Audit Committee’s review and approval process of the Mandated Transactions’), are set out in Appendix A to this Letter.

2.4 Audit Committee Confirmation. The Audit Committee, comprising Mr Charles Mak Ming Ying, Mr Philip Eng Heng Nee, Mr Wee Joo Yeow and Mr Sithichai Chaikriangkrai as at the Latest Practicable Date, confirms (with Mr Sithichai Chaikriangkrai abstaining) that:

(a) the methods or procedures for determining the transaction prices under the IPT Mandate have not changed since the 2014 EGM; and

(b) the methods or procedures referred to in sub-paragraph (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.

2.5 Chapter 9 of the Listing Manual. General information on the listing rules relating to interested person transactions, including the meanings of terms such as “associate”, “entity at risk”, “interested person”, “same interested person” and “interested person transaction” used in Chapter 9 of the Listing Manual, is set out in Appendix B to this Letter.

2.6 Rationale. The IPT Mandate and its subsequent renewal on an annual basis would eliminate the need to convene separate general meetings from time to time to seek Shareholders’ approval as and when potential interested person transactions with a specific class of Mandated Interested Persons (as defined in paragraph 4 of Appendix A to this Letter) arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group (as defined in paragraph 3 of Appendix A to this Letter).

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1 In particular, if a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of a Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.
The IPT Mandate is intended to facilitate transactions in the normal course of the Group's business which are transacted from time to time with the specified classes of Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1 Interests of Directors. The non-executive Chairman, Mr Charoen Sirivadhanabhakdi, is the Chairman of several public listed and private entities within the “TCC Group”, that is, the companies and entities in the Thai Charoen Corporation Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. Mr Charoen Sirivadhanabhakdi is married to Khunying Wanna Sirivadhanabhakdi.

The non-executive Vice Chairman, Khunying Wanna Sirivadhanabhakdi, is Vice Chairman of several public listed and private entities within the TCC Group.

Mr Chotiphat Bijananda, a non-executive and non-independent Director of the Company, is a director of TCC Assets Limited and TCC Technology Co., Ltd within the TCC Group. Mr Chotiphat Bijananda is the son-in-law of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

Mr Panote Sirivadhanabhakdi, a non-executive and non-independent Director of the Company, is a director of certain entities within the TCC Group and is a director of Frasers Hospitality Asset Management Pte. Ltd. (the manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (the trustee-manager of FH-BT). Mr Panote Sirivadhanabhakdi is the son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. Mr Panote Sirivadhanabhakdi also holds 20.0% of the issued share capital of TCC Hospitality Limited, and is therefore deemed interested in TCC Hospitality Limited's 39.95% direct interest in the stapled securities of FHT.

Mr Sithichai Chaikriangkrai, a member of the Company’s Audit Committee, is a director and chief financial officer of Thai Beverage Public Company Limited and a director of certain other companies which are associates of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

The interests of the Directors in shares in the share capital of the Company (“Shares”) as recorded in the Register of Directors’ Shareholdings as at the Latest Practicable Date are set out below:

<table>
<thead>
<tr>
<th>Name of Director</th>
<th>Direct Interest</th>
<th>Deemed Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Shares held</td>
<td>%</td>
</tr>
<tr>
<td>Mr Charoen Sirivadhanabhakdi</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Khunying Wanna Sirivadhanabhakdi</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mr Charles Mak Ming Ying</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mr Chan Heng Wing</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Mr Philip Eng Heng Nee</td>
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<tr>
<td>Mr Wee Joo Yeow</td>
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<td>–</td>
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<tr>
<td>Mr Weerawong Chittmittrapap</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Mr Chotiphat Bijananda</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mr Panote Sirivadhanabhakdi</td>
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<td>–</td>
</tr>
<tr>
<td>Mr Sithichai Chaikriangkrai</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Notes:
1. The figures are based on 2,889,812,572 Shares in issue as at the Latest Practicable Date.
2. Deemed interests refer to interests determined pursuant to Section 4 of the Securities and Futures Act, Chapter 289.

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2 TCC Hospitality Limited is a BVI company owned equally by Atinant Bijananda, Thapanee Sirivadhanabhakdi, Wallapa Traisrat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi (being the five children of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi) in equal proportions.
3.2 **Interests of Substantial Shareholders.** The interests of the substantial Shareholders in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

<table>
<thead>
<tr>
<th>Name of Substantial Shareholder</th>
<th>Direct Interest</th>
<th>Deemed Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Shares held</td>
<td>%</td>
</tr>
<tr>
<td>Mr Charoen Sirivadhanabhakdi</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Khunying Wanna Sirivadhanabhakdi</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>InterBev Investment Limited</td>
<td>824,847,644</td>
<td>28.54</td>
</tr>
<tr>
<td>International Beverage Holdings Limited</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Thai Beverage Public Company Limited</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>TCC Assets Limited</td>
<td>1,716,160,124</td>
<td>59.39</td>
</tr>
<tr>
<td>Siriwana Company Limited</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>MM Group Limited</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Maxtop Management Corp.</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Risen Mark Enterprise Ltd.</td>
<td>–</td>
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</tr>
<tr>
<td>Golden Capital (Singapore) Ltd.</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

**Notes:**

1. The figures are based on 2,889,812,572 Shares in issue as at the Latest Practicable Date.

2. Deemed interests refer to interests determined pursuant to Section 4 of the Securities and Futures Act, Chapter 289.

4. **RECOMMENDATIONS**

Notwithstanding that all the Directors are Mandated Interested Persons (as described in paragraph 4 of Appendix A to this Letter), it is anticipated that none of Mr Charles Mak Ming Ying, Mr Chan Heng Wing, Mr Philip Eng Heng Nee, Mr Wee Joo Yeow and Mr Weerawong Chittmittrapap (the “Independent Directors”) (or their respective associates) will enter into any Mandated Transaction with the Group. Accordingly, the Independent Directors are considered independent for the purposes of the proposed renewal of the IPT Mandate. Having considered the terms of the IPT Mandate, the Independent Directors are of the opinion that the entry by the Group into the Mandated Transactions with the Mandated Interested Persons in the ordinary course of business will enhance the efficiency of the Group, and is in the interest of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution (8), being the Ordinary Resolution relating to the renewal of the IPT Mandate to be proposed at the 51st AGM.

In giving the above recommendation, the Independent Directors have not had regard to the general or specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, the Independent Directors recommend that any individual Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

5. **ABSTENTIONS FROM VOTING**

Thai Beverage Public Company Limited, TCC Assets Limited and each of the Directors have undertaken that they will abstain and will procure that their associates will abstain, from voting on Resolution (8), being the Ordinary Resolution relating to the renewal of the IPT Mandate to be proposed at the 51st AGM, and each of the non-Independent Directors have also undertaken that in addition, they will not and will procure that their associates will not, accept appointments as proxies in relation to Resolution (8), unless specific instructions as to voting are given.
6. **DIRECTORS’ RESPONSIBILITY STATEMENT**

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

7. **INSPECTION OF DOCUMENTS**

The following documents are available for inspection at the registered office of the Company at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958 during normal business hours from the date of this Letter up to the date of the 51st AGM:

(a) the Memorandum and Articles of Association of the Company;

(b) the Annual Report of the Company for the financial year ended 30 September 2014; and

(c) the Circular to Shareholders dated 12 May 2014.

Yours faithfully
for and on behalf of
the Board of Directors of
FRASERS CENTREPOINT LIMITED

Piya Treruangrachada
Company Secretary
SHAREHOLDERS’ GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. Introduction

Frasers Centrepoint Limited anticipates that the Group (as defined herein) would, in the ordinary course of business, continue to enter into certain transactions with its interested persons (as such term is defined in the Listing Manual), including but not limited to those categories of transactions described below. In view of the time-sensitive and recurrent nature of commercial transactions, it would be advantageous for the Company to obtain a Shareholders’ general mandate (an “IPT Mandate”) to enable companies in the Group to enter into certain interested person transactions in the normal course of business, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Chapter 9 of the Listing Manual allows a listed company to obtain a mandate from its shareholders for recurrent interested person transactions which are of a revenue or trading nature or for those necessary for its day-to-day operations. These transactions may not include the purchase or sale of assets, undertakings or businesses which are not part of the day-to-day operations.

The IPT Mandate will take effect from the passing of the Ordinary Resolution relating thereto, and will continue in force until the conclusion of the next AGM of the Company (unless sooner revoked or varied by the Company in general meeting). Approval from shareholders will be sought for the renewal of the IPT Mandate at the next AGM and at each subsequent AGM of the Company, subject to satisfactory review by the Audit Committee of its continued application to the Mandated Transactions.

2. Rationale for and Benefits of the IPT Mandate

The IPT Mandate and its subsequent renewal on an annual basis would eliminate the need to convene separate general meetings from time to time to seek Shareholders’ approval as and when potential interested person transactions with a specific class of Mandated Interested Persons arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

The IPT Mandate is intended to facilitate transactions in the normal course of the Group’s business which are transacted from time to time with the specified classes of Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.

3. The Group

For the purposes of the IPT Mandate, an “Entity At Risk” means:

(a) the Company;

(b) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or

(c) an associated company of the Company that is not listed on the SGX-ST or an approved exchange, provided that the Company and its interested person(s), have control over the associated company,

(collectively, the “Group”).
APPENDIX A
SHAREHOLDERS’ GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

4. Classes of Mandated Interested Persons
The IPT Mandate will apply to the transactions that are carried out with Thai Beverage Public Company Limited, TCC Assets Limited, F&N, the directors of the Company and their respective associates (the “Mandated Interested Persons”).

5. Categories of Mandated Transactions
The types of transactions to which the IPT Mandate will apply (the “Mandated Transactions”), and the benefits to be derived therefrom, are set out below.

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 Group or which are necessary for the day-to-day operations of the Group comprising the following:

(a) the provision or obtaining of leases or subleases of office space, warehouses, passenger cars and land;
(b) the obtaining of insurance and insurance-related services;
(c) purchases of beer, spirits, water, soda and other products;
(d) the provision or obtaining of office and storage supplies;
(e) the provision or obtaining of property-linked services (such as property marketing, property and rental valuation services, building maintenance services and security services);
(f) the provision of property development and project management services;
(g) the provision of asset management strategies, such as advising on repositioning, asset enhancement or leasing matters;
(h) the provision of operation, maintenance, management and marketing services for properties;
(i) the provision or obtaining of information technology, legal, compliance and trade mark management, corporate secretarial, human resource, tax, treasury and internal audit services; and
(j) the provision or obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (a) to (i) above.

The Group will benefit from having access to competitive quotes from the Mandated Interested Persons in addition to obtaining quotes from, or transacting with, non-Interested Persons.

Vacaron Company Sdn. Bhd. (“Vacaron”) is a joint venture between FCL Centrepoint Pte. Ltd. (“FCL Centrepoint”) and Fraser & Neave Holdings Bhd (“F&NHB”) each holding 50% of the issued share capital in Vacaron. Transactions undertaken pursuant to this joint venture (the “Vacaron Joint Venture Transactions”) comprise the following transactions for the provision of financial resources by the Group to Vacaron:

(i) the capitalisation of loans extended to Vacaron;
(ii) the extension of loans to Vacaron;
(iii) the subscription of securities in Vacaron; and

(iv) the provision of guarantees or letters of comfort to entities including banks and financial institutions that provide loans to Vacaron.

The value of financial resources provided to Vacaron by FCL Centrepoint and F&NHB pursuant to the transactions described in sub-paragraphs (i) to (iv) above shall be in such amounts as are in proportion to FCL Centrepoint and F&NHB's respective equity interest in Vacaron and will be made on identical terms and conditions (including terms relating to repayments and set-offs).

Financial resources provided to, or obtained by, Vacaron from FCL Centrepoint and F&NHB may be used for various purposes, including, for working capital, for investment in marketing and promotion, for investment in equipment and for financing its acquisition activities. Due to the potentially time-sensitive nature of these activities, it is often critical that Vacaron obtain funds in the shortest possible time.

6. **Review procedures for Mandated Interested Person Transactions with Mandated Interested Persons**

The Company will have an internal control system in place to ensure that Mandated Transactions with the Mandated Interested Persons are made on normal commercial terms, supported by independent valuation where appropriate, and consistent with the Group's usual policies and practices.

(a) In general, there are procedures established by the 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 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.

(i) ** Provision of Services or Sale of Products to Mandated Interested Persons**

The review procedures are:

a) 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 Persons 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

b) 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 Group's pricing for such services to be provided or products to be sold to Mandated Interested Persons is determined in accordance with the Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by the 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; and
(ii) Obtaining of Services or Purchasing of Products from Mandated Interested Persons

The review procedures are:

a) all contracts entered into or transactions with Mandated Interested Persons are
to be carried out by obtaining quotations at the prevailing market rates or prices
of the service or product providers, on terms which are no less favourable than
those extended by the Mandated Interested Person to third parties. Further,
quotations shall be obtained (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 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

b) 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
entity in the 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, having regard to the costs and benefits of
entering into the transactions.

As part of the review procedure established by the Group in respect of the Vacaron Joint
Venture Transactions, all Vacaron Joint Venture Transactions shall be conditional upon FCL
Centrepoint providing financial resources to Vacaron in an amount which is proportionate to
its equity interest in Vacaron and will be made on identical terms and conditions (including
terms to repayments and set-offs) to those entered into by the Group.

(b) In addition to the above review procedures, the following review and approval procedures will
apply to the Mandated Transactions:

(i) Transactions equal to or exceeding S$100,000 but below the Financial Limit (as
defined below) each in value, will be reviewed and approved by the Chief Executive
Officer (the “CEO”) for the time being of the Company or such other senior
executive(s) of the Company designated by the Audit Committee from time to time for
such purpose, and tabled for review by the Audit Committee on a quarterly basis.

(ii) Transactions equal to or exceeding the Financial Limit each in value will be reviewed
and approved by the Audit Committee.

(iii) Where the value of a transaction, when aggregated with previous transactions of
the same kind in any particular financial year, is equals to or exceeds the Financial
Limit, such transaction, and all future transactions of the same kind in that particular
financial year will be reviewed and approved by the Audit Committee.
(iv) The CEO or other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose, and the Audit Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including the obtaining of valuations from independent professional valuers.

For the purposes of sub-paragraphs (i), (ii) and (iii) above, the Financial Limit shall be the amount equivalent to 5.0% of the Company’s audited consolidated net tangible assets for the time being, as determined by reference to the Company’s latest announced audited consolidated financial statements.

(c) The following will apply to the review and approval process for all categories of Mandated Transactions:

(i) If the CEO has an interest in the transaction or is a nominee for the time being of the Mandated Interested Person, the review and approval process shall be undertaken by such other senior executive of the Company designated by the Audit Committee from time to time for such purpose.

(ii) If the CEO and such other senior executive have an interest in the transaction or are nominees for the time being of the Mandated Interested Person, the review and approval process shall be undertaken by the Chairman of the Audit Committee or another member of the Audit Committee (who is not a nominee of the Mandated Interested Person and has no interest in the transaction) designated by the Chairman of the Audit Committee from time to time for such purpose.

(iii) If a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.

(iv) If a member of the Audit Committee (who is not a nominee of the Mandated Interested Person and has no interest in the transaction) also serves as an independent non-executive director on the board of directors or (as the case may be) an audit or other board committee of the Mandated Interested Person, and he participates in the review and approval process of the Audit Committee in relation to a transaction with that Mandated Interested Person, he will abstain from participating on any decision before the board or committee of that Mandated Interested Person with respect to such transaction.

(d) The Company will maintain a register of Mandated Transactions carried out with Mandated Interested Persons (recording the basis, including the quotations obtained to support such basis, on which they are entered into), and the Company’s annual internal audit plan will incorporate a review of all Mandated Transactions entered into in the relevant financial year pursuant to the IPT Mandate.

The Audit Committee will review the internal audit reports on Mandated Transactions to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with.
APPENDIX A
SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

If during any of the reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Group or the Mandated Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Mandated Transactions will be carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

7. Disclosures

In accordance with the requirements of Chapter 9 of the Listing Manual, the Company will (a) disclose in the Company's annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT Mandate during the financial year (as well as in the annual reports for subsequent financial years that the IPT Mandate continues in force); and (b) announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual (which relates to quarterly reporting by listed companies) within the time required for the announcement of such report.
GENERAL INFORMATION RELATING TO CHAPTER 9 OF THE LISTING MANUAL

1. Chapter 9 of the Listing Manual
Chapter 9 of the Listing Manual governs transactions between 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.

2. General Requirements
Except for any transaction which is below S$100,000 in value and 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, when this Chapter applies to a transaction with an interested person and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the latest audited NTA), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders’ approval for the transaction. In particular, shareholders’ approval is required for an interested person transaction of a value equal to, or exceeding:

(a) 5.0% of the listed company's latest audited NTA; or

(b) 5.0% of the listed company's latest audited NTA, when aggregated with the values of all other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.

3. Mandate from Shareholders
Chapter 9 of the Listing Manual, however, allows a listed company 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 for the purchase or sale of assets, undertakings or businesses) which may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.

4. Terminology
For the purposes of Chapter 9 of the Listing Manual:

- 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;

- 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;
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 the 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 the 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;

an “approved exchange” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles as Chapter 9;

an “interested person transaction” means a transaction between an entity at risk and an interested person;

a “transaction” includes the provision or receipt of financial assistance; the acquisition, disposal or leasing of assets; the provision or receipt of services; the issuance or subscription of securities; the granting of or being granted options; and the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly; and

in interpreting the term “same interested person” for the purpose of aggregation of the values of all transactions entered into with the same interested person during the same financial year under Rules 905 and 906 of Chapter 9 of the Listing Manual, the following applies:

(i) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person; and

(ii) if an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.