

STAMFORD LAND CORPORATION LTD

(Company Registration No.: 197701615H)
(Incorporated in Singapore on 25 July 1977)

Directors:

Mr Ow Chio Kiat (*Executive Chairman*)
Mr Ow Cheo Guan (*Deputy Executive Chairman*)
Mr Ow Yew Heng (*Chief Executive Officer*)
Mr Mark Anthony James Vaile (*Independent Non-Executive Director*)
Mr Lim Teck Chai, Danny (*Independent Non-Executive Director*)
Mr Huong Wei Beng (*Independent Non-Executive Director*)

Registered Office:

200 Cantonment Road
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Date: 13 July 2020

To: The Shareholders of Stamford Land Corporation Ltd

Dear Sir/Madam

ADDENDUM RELATING TO THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE (“ADDENDUM”)

1 INTRODUCTION

- 1.1 Stamford Land Corporation Ltd (“**Company**”) has on 13 July 2020 issued a notice (“**Notice of AGM**”) convening the annual general meeting (“**AGM**”) of the shareholders of the Company (“**Shareholders**”) to be held on Tuesday, 28 July 2020 (“**2020 AGM**”) to seek Shareholders’ approval in relation to Ordinary Resolution 11 for the proposed renewal of the general and unconditional mandate (“**Share Buy-Back Mandate**”) to be given by Shareholders to authorise the directors of the Company (“**Directors**”) to exercise all powers of the Company to purchase or otherwise acquire issued ordinary shares in the Company (“**Shares**”) representing not more than ten per cent. (10%) of the total number of Shares (excluding treasury shares and subsidiary holdings) by way of an ordinary resolution.
- 1.2 The purpose of this Addendum is to provide information relating to and to explain the rationale for the above proposal and to seek Shareholders’ approval for the same at the 2020 AGM.
- 1.3 The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Addendum. If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

2 PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

2.1 Background

The Companies Act (Chapter 50) of Singapore (“**Companies Act**”) allows a Singapore-incorporated company to purchase or otherwise acquire its issued ordinary shares, stocks and preference shares if the purchase or acquisition is permitted under the company’s constitution. Any purchase or acquisition of Shares by the Company must be made in accordance with, and in the manner prescribed by, the Companies Act, the constitution of the Company for the time being (“**Constitution**”) and such other laws and regulations as may, for the time being, be applicable. As the Company is listed on the Mainboard of the SGX-ST, it is also required to comply with Part XIII of Chapter 8 of the listing manual of the SGX-ST (“**Listing Manual**”), which relates to the purchase or acquisition by an issuer of its own shares. Regulation 10B of the Constitution expressly permits the Company to purchase or otherwise acquire its issued Shares.

It is a requirement under the Companies Act and the Listing Manual for a company that wishes to purchase or otherwise acquire its own shares to obtain the approval of its shareholders.

The Share Buy-Back Mandate was originally approved by the Shareholders at the extraordinary general meeting (“**EGM**”) of the Company on 27 July 2018 and Shareholders had approved the renewal of the Share Buy-Back Mandate at the previous AGM held on 26 July 2019. The Share Buy-Back Mandate renewed on 26 July 2019 will expire on the date of the 2020 AGM. Accordingly, approval is being sought from Shareholders at the 2020 AGM for the proposed renewal of the Share Buy-Back Mandate. An ordinary resolution will be proposed, pursuant to which the Share Buy-Back Mandate will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire Shares according to the terms of the Share Buy-Back Mandate, as well as the rules and regulations set forth in the Companies Act and the Listing Manual.

If approved by Shareholders at the 2020 AGM, the authority conferred by the Share Buy-Back Mandate will take effect from the date of the 2020 AGM and continue in force until the date on which the next AGM of the Company is held or is required by law to be held, whichever is earlier, unless prior thereto, Share Buy-Backs (as defined at Paragraph 2.3 of this Addendum) have been carried out to the full extent mandated, or the authority conferred by the Share Buy-Back Mandate is revoked or varied by Shareholders in a general meeting.

2.2 **Rationale for the Share Buy-Back Mandate**

The Share Buy-Back Mandate authorising the Company to purchase or acquire its issued Shares would give the Company the flexibility to undertake purchases or acquisitions of Shares up to the ten per cent. (10%) limit described in Paragraph 2.3.1 of this Addendum at any time as and when appropriate, subject to market conditions, during the period when the Share Buy-Back Mandate is in force.

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

- (a) in managing the business of the Company and its subsidiaries (as at the Latest Practicable Date (as defined at Paragraph 2.3.1 of this Addendum)) (“**Group**”), the management team strives to improve shareholders value, including the return on equity of the Group. Share purchase is one of the ways through which the return on equity of the Group may be enhanced;
- (b) the Share Buy-Back Mandate provides the Company with an additional mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner; and
- (c) it allows the Directors to exercise greater control over the Company’s share capital structure, dividend payout and cash reserves, thereby optimising the use of any surplus cash, especially when the Company is not required to borrow money for the repurchase of Shares.

Shares which are purchased or acquired may be held as treasury shares which have the added benefit of being used for prescribed purposes, such as selling treasury shares for cash. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

While the Share Buy-Back Mandate would authorise a purchase or acquisition of Shares up to the said ten per cent. (10%) limit during the period referred to in Paragraph 2.3.2 of this Addendum below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate may not be carried out to the full ten per cent. (10%) limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate will be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders and in circumstances which they believe will not result in any material adverse effect on the financial position of the Company or the Group, or affect the listing status of the Company on the SGX-ST.

2.3 Authority and limits on the Share Buy-Back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buy-Back Mandate (“**Share Buy-Backs**”) are summarised below:

2.3.1. Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired pursuant to the Share Buy-Back Mandate shall not exceed ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in each class as at the date of the 2020 AGM at which approval for the proposed renewal of the Share Buy-Back Mandate is being sought (“**Approval Date**”). Under the Companies Act, any Shares which are held as treasury shares or as subsidiary holdings will be disregarded for the purpose of computing the ten per cent. (10%) limit. As at 6 July 2020, being the latest practicable date prior to the printing of this Addendum (“**Latest Practicable Date**”), the Company had no treasury shares and no subsidiary holdings, and the Shares, being the issued ordinary shares in the Company, were the only class of shares issued by the Company.

For illustrative purposes only, on the basis of 782,962,382 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the 2020 AGM and that the Company does not reduce its share capital, not more than 78,296,238 Shares (representing ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Buy-Back Mandate during the period when the Share Buy-Back Mandate is in force as referred to in Paragraph 2.3.2 of this Addendum below.

2.3.2. Duration of authority

Share Buy-Backs may be made, at any time and from time to time, on and from the Approval Date, up to:

- (a) the date on which the next AGM of the Company is held or required by law to be held, whichever is earlier;
- (b) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by Shareholders in a general meeting; or
- (c) the date on which the Share Buy-Backs are carried out to the full extent mandated,

whichever is the earliest.

The authority conferred on the Directors by the Share Buy-Back Mandate to purchase Shares may be renewed at the next AGM of the Company or at an EGM of the Company to be convened immediately after the conclusion or adjournment of the next AGM.

2.3.3. Manner of Share Buy-Backs

Share Buy-Backs may be made by way of:

- (a) On-market purchases of Shares transacted on the SGX-ST through the SGX-ST trading system or, as the case may be, any other securities exchange on which the Shares may, for the time being, be listed and quoted (“**Market Purchases**”), through one (1) or more duly licensed stock brokers appointed by the Company for such purpose; and/or
- (b) Off-market purchases of Shares (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as defined in Section 76C of the Companies Act, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual (“**Off-Market Purchases**”).

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-Back Mandate, the Listing Manual, the Companies Act and the Constitution, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s). An Off-Market Purchase effected in accordance with an equal access scheme must, however, satisfy all the following conditions pursuant to the Companies Act:

- (i) offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) 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 the offers relate to Shares with different accrued dividend entitlements;
 - (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and
 - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

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

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed Share Buy-Back;
- (D) the consequences, if any, of Share Buy-Backs by the Company that will arise under The Singapore Code on Take-overs and Mergers (“**Code**”) or other applicable take-over rules;
- (E) whether the Share Buy-Back, if made, could affect the listing of the Shares on the Mainboard of the SGX-ST;
- (F) details of any Share Buy-Backs 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 such Share Buy-Backs, where relevant, and the total consideration paid for such Share Buy-Backs; and
- (G) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4. Maximum purchase price

The purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the Share Buy-Back must not exceed:

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

in each case, excluding related expenses of the Share Buy-Back (“**Maximum Price**”).

For the above purposes, “**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) days on which the SGX-ST is open for trading of securities (“**Market Days**”) on which transactions in the Shares were recorded, immediately preceding the day on which the purchase or acquisition of Shares was made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs during the relevant five (5) Market Days and the day on which the purchase or acquisition of Shares was made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase.

2.4 **Status of purchased Shares**

Under Section 76B of the Companies Act, Shares purchased or acquired by the Company shall, unless such Shares are held by the Company as treasury shares, be deemed cancelled immediately upon such purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation). Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company, which are cancelled and are not held as treasury shares.

Any Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted by the Companies Act) will be automatically delisted by the SGX-ST and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase.

At the time of each Share Buy-Back, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

2.5 **Treasury shares**

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.5.1. Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares. In the event that the Company holds more than ten per cent. (10%) of the total number of its issued Shares as treasury shares, the Company shall dispose of or cancel the excess treasury shares in the manner set out under Paragraph 2.5.3 of this Addendum below within six (6) months beginning with the day on which that contravention occurs, or such further period as the Registrar of Companies appointed under the Companies Act (“**Registrar of Companies**”) may allow.

2.5.2. Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company’s assets (including any distributions of assets to members on a winding up) may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Furthermore, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3. Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares (or any of them) for cash;
- (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

2.6 **Reporting requirements**

Within 30 days after the passing of a Shareholders' resolution to approve the renewal of the Share Buy-Back Mandate, the Company shall lodge a copy of such resolution with the Registrar of Companies.

The Company shall notify the Registrar of Companies within 30 days after a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchases or acquisitions including (a) the date of the purchase or acquisition; (b) the total number of Shares purchased or acquired by the Company; (c) the number of Shares cancelled; (d) the number of Shares held as treasury shares; (e) the Company's issued share capital before and after the purchase or acquisition of Shares; (f) the amount of consideration paid by the Company for the purchase or acquisition of Shares; (g) whether the Shares were purchased or acquired out of the profits or the capital of the Company; and (h) such other particulars as may be required in the prescribed form.

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

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

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in the form of Appendix 8.3.1 to the Listing Manual and shall include such details as the SGX-ST may prescribe.

The Company, upon undertaking any sale, transfer, cancellation and/or use of treasury shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

- (A) date of the sale, transfer, cancellation and/or use;
- (B) purpose of such sale, transfer, cancellation and/or use;
- (C) number of treasury shares sold, transferred, cancelled and/or used;
- (D) number of treasury shares before and after such sale, transfer, cancellation and/or use;

- (E) percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (F) value of the treasury shares if they are used for a sale or transfer, or cancelled.

The Board shall lodge with the Registrar of Companies within 30 days after the cancellation or disposal of treasury shares the notice of the cancellation or disposal of treasury shares in the prescribed form with such particulars as may be required in the form, together with payment of the prescribed fee.

2.7 Source of funds

The Company may only apply funds for the Share Buy-Backs as provided in its Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares on the SGX-ST for settlement otherwise than in accordance with the trading rules of the SGX-ST or the Companies Act.

The Company intends to only use internal sources of funds to finance the purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate. No external borrowings or fundings will be considered to finance the purchase or acquisition of Shares. The Company will not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse financial effect on the Company and the Group.

Under the Companies Act, any purchase or acquisition of Shares may be made out of the Company's capital or profits so long as the Company is solvent. It is an offence for a director or chief executive officer of a company to approve or authorise the purchase or acquisition of shares, knowing that the company is not solvent.

For this purpose, pursuant to the Companies Act, a company is solvent:

- (a) if there is no ground on which the company could be found to be unable to pay its debts;
- (b) if:
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) if the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related expenses) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced. The Companies Act further stipulates that a payment for such purchase or acquisition of shares shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition.

2.8 Illustrative financial effects

It is not possible for the Company to realistically calculate or quantify the financial effects of purchases of Shares that may be made pursuant to the Share Buy-Back Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased, whether the purchase is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases or acquisitions, whether the Shares purchased or acquired are cancelled or held as treasury shares and whether the Share Buy-Backs are made by way of Market Purchases or Off-Market Purchases.

Purely for illustrative purposes only, and based on the assumptions set out below:

- (a) based on 782,962,382 Shares (excluding treasury shares and subsidiary holdings) in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the 2020 AGM, not more than 78,296,238 Shares (representing ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate;
- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 78,296,238 Shares at the Maximum Price of S\$0.37 for one (1) Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 78,296,238 Shares (excluding ancillary expenses such as related brokerage, commissions, goods and services tax, stamp duties and clearance fees) is approximately S\$28,609,000;
- (c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 78,296,238 Shares at the Maximum Price of S\$0.42 for one (1) Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 78,296,238 Shares (excluding ancillary expenses such as related brokerage, commissions, goods and services tax, stamp duties and clearance fees) is approximately S\$32,697,000;
- (d) the consideration for the purchase or acquisition of Shares is financed entirely by internal resources of the Company;
- (e) the purchase or acquisition of Shares took place at the beginning of the financial year ended 31 March 2020 (“FY2020”) on 1 April 2019; and
- (f) the transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate were insignificant and have been ignored for the purpose of computing the financial effects,

the financial effects of the:

- (i) Market Purchase of 78,296,238 Shares by the Company pursuant to the Share Buy-Back Mandate which is made entirely out of capital and held as treasury shares;
- (ii) Market Purchase of 78,296,238 Shares by the Company pursuant to the Share Buy-Back Mandate which is made entirely out of capital and cancelled;
- (iii) Off-Market Purchase of 78,296,238 Shares by the Company pursuant to the Share Buy-Back Mandate which is made entirely out of capital and held as treasury shares; and

- (iv) Off-Market Purchase of 78,296,238 Shares by the Company pursuant to the Share Buy-Back Mandate which is made entirely out of capital and cancelled,

on the audited financial statements of the Group and the Company for FY2020 are set out in the following pages.

The financial effects of the acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate by way of purchases made out of profits are similar to that of purchases made out of capital. Therefore, only the financial effects of the acquisition of Shares pursuant to the Share Buy-Back Mandate by way of purchases made out of capital are set out in this Addendum.

(A) Market Purchases made entirely out of capital and held as treasury shares

As at 31 March 2020	Company		Group	
	Before the Share Buy-Back	After the Share Buy-Back	Before the Share Buy-Back	After the Share Buy-Back
Share capital (S\$'000)	144,693	144,693	144,693	144,693
Shareholders' equity (S\$'000)	271,600	242,991	481,946	453,337
NTA (S\$'000)	271,600	242,991	481,946	453,337
Current assets (S\$'000)	182,432	182,432	100,210	71,601
Current liabilities (S\$'000)	822	29,431	50,226	50,226
Working capital (S\$'000)	181,610	153,001	49,984	21,375
Total borrowings (S\$'000)	–	–	377,337	377,337
Cash and bank balances (S\$'000)	1,040	1,040	58,774	30,165
(Loss)/Profit attributable to owners of the Company (S\$'000)	(1,427)	(1,427)	24,945	24,945
Number of Shares (excluding treasury shares ('000))	782,982	704,686	782,982	704,686
Financial ratios				
NTA per Share ⁽¹⁾ (cents)	34.7	34.5	61.6	64.3
Basic EPS ⁽²⁾ (cents)	–	–	3.1	3.4
Gearing ⁽³⁾ (%)	–	–	78.3	83.2
Current ratio ⁽⁴⁾ (times)	221.9	6.2	2.0	1.4

Notes:

- (1) Net tangible assets (“NTA”) per Share has been computed based on NTA divided by the number of Shares (excluding treasury shares) in issue as at 31 March 2020.
- (2) Earnings per share (“EPS”) has been computed based on FY2020 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.
- (3) Gearing has been computed based on total borrowings divided by Shareholders' equity.
- (4) Current ratio represents the ratio of current assets to current liabilities.

(B) Market Purchases made entirely out of capital and cancelled

As at 31 March 2020	Company		Group	
	Before the Share Buy-Back	After the Share Buy-Back	Before the Share Buy-Back	After the Share Buy-Back
Share capital (S\$'000)	144,693	116,084	144,693	116,084
Shareholders' equity (S\$'000)	271,600	242,991	481,946	453,337
NTA (S\$'000)	271,600	242,991	481,946	453,337
Current assets (S\$'000)	182,432	182,432	100,210	71,601
Current liabilities (S\$'000)	822	29,431	50,226	50,226
Working capital (S\$'000)	181,610	153,001	49,984	21,375
Total borrowings (S\$'000)	–	–	377,337	377,337
Cash and bank balances (S\$'000)	1,040	1,040	58,774	30,165
(Loss)/Profit attributable to owners of the Company (S\$'000)	(1,427)	(1,427)	24,945	24,945
Number of Shares (excluding treasury shares ('000))	782,982	704,686	782,982	704,686
<u>Financial ratios</u>				
NTA per Share ⁽¹⁾ (cents)	34.7	34.5	61.6	64.3
Basic EPS ⁽²⁾ (cents)	–	–	3.1	3.4
Gearing ⁽³⁾ (%)	–	–	78.3	83.2
Current ratio ⁽⁴⁾ (times)	221.9	6.2	2.0	1.4

Notes:

- ⁽¹⁾ NTA per Share has been computed based on NTA divided by the number of Shares (excluding treasury shares) in issue as at 31 March 2020.
- ⁽²⁾ EPS has been computed based on FY2020 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.
- ⁽³⁾ Gearing has been computed based on total borrowings divided by Shareholders' equity.
- ⁽⁴⁾ Current ratio represents the ratio of current assets to current liabilities.

(C) **Off-Market Purchases made entirely out of capital and held as treasury shares**

As at 31 March 2020	Company		Group	
	Before the Share Buy-Back	After the Share Buy-Back	Before the Share Buy-Back	After the Share Buy-Back
Share capital (S\$'000)	144,693	144,693	144,693	144,693
Shareholders' equity (S\$'000)	271,600	238,903	481,946	449,249
NTA (S\$'000)	271,600	238,903	481,946	449,249
Current assets (S\$'000)	182,432	182,432	100,210	67,513
Current liabilities (S\$'000)	822	33,519	50,226	50,226
Working capital (S\$'000)	181,610	148,913	49,984	17,287
Total borrowings (S\$'000)	–	–	377,337	377,337
Cash and bank balances (S\$'000)	1,040	1,040	58,774	26,077
(Loss)/Profit attributable to owners of the Company (S\$'000)	(1,427)	(1,427)	24,945	24,945
Number of Shares (excluding treasury shares ('000))	782,982	704,686	782,982	704,686
Financial ratios				
NTA per Share ⁽¹⁾ (cents)	34.7	33.9	61.6	63.8
Basic EPS ⁽²⁾ (cents)	–	–	3.1	3.4
Gearing ⁽³⁾ (%)	–	–	78.3	84.0
Current ratio ⁽⁴⁾ (times)	221.9	5.4	2.0	1.3

Notes:

⁽¹⁾ NTA per Share has been computed based on NTA divided by the number of Shares (excluding treasury shares) in issue as at 31 March 2020.

⁽²⁾ EPS has been computed based on FY2020 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.

⁽³⁾ Gearing has been computed based on total borrowings divided by Shareholders' equity.

⁽⁴⁾ Current ratio represents the ratio of current assets to current liabilities.

(D) **Off-Market Purchases made entirely out of capital and cancelled**

As at 31 March 2020	Company		Group	
	Before the Share Buy-Back	After the Share Buy-Back	Before the Share Buy-Back	After the Share Buy-Back
Share capital (S\$'000)	144,693	111,996	144,693	111,996
Shareholders' equity (S\$'000)	271,600	238,903	481,946	449,249
NTA (S\$'000)	271,600	238,903	481,946	449,249
Current assets (S\$'000)	182,432	182,432	100,210	67,513
Current liabilities (S\$'000)	822	33,519	50,226	50,226
Working capital (S\$'000)	181,610	148,913	49,984	17,287
Total borrowings (S\$'000)	–	–	377,337	377,337
Cash and bank balances (S\$'000)	1,040	1,040	58,774	26,077
(Loss)/Profit attributable to owners of the Company (S\$'000)	(1,427)	(1,427)	24,945	24,945
Number of Shares (excluding treasury shares ('000))	782,982	704,686	782,982	704,686
Financial ratios				
NTA per Share ⁽¹⁾ (cents)	34.7	33.9	61.6	63.8
Basic EPS ⁽²⁾ (cents)	–	–	3.1	3.4
Gearing ⁽³⁾ (%)	–	–	78.3	84.0
Current ratio ⁽⁴⁾ (times)	221.9	5.4	2.0	1.3

Notes:

- (1) NTA per Share has been computed based on NTA divided by the number of Shares (excluding treasury shares) in issue as at 31 March 2020.
- (2) EPS has been computed based on FY2020 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.
- (3) Gearing has been computed based on total borrowings divided by Shareholders' equity.
- (4) Current ratio represents the ratio of current assets to current liabilities.

Shareholders should note that the financial effects set out above are purely for illustrative purposes only and are based on the assumptions set out above. Although the Share Buy-Back Mandate would authorise the Company to purchase or acquire up to ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date that the Share Buy-Back Mandate is renewed, the Company may not necessarily purchase or acquire, or be able to purchase or acquire, the entire ten per cent. (10%) of the total number of its issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares purchased or acquired, or hold all or part of the Shares purchased or acquired in treasury.

2.9 Take-over implications

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

2.9.1. Obligation to make a mandatory general offer

Under Rule 14 of the Code, except with the consent of the Securities Industry Council (“SIC”), where:

- (a) any person acquires whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than one per cent. (1%) of the voting rights,

such person must extend a mandatory general offer immediately to the Shareholders for the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have an obligation to extend an offer.

When the Company buys back its Shares, any resulting increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him will be treated as an acquisition for the purposes of Rule 14 of the Code. Consequently, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Code.

2.9.2. Persons acting in concert

Under the Code, persons acting in concert (“**concert parties**”) 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.

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

- (a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated company of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as any company controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;

- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act in accordance with his instructions, companies controlled by any of the foregoing, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

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

2.9.3. Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 of the Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a mandatory general offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and parties acting in concert with them would increase to 30% or more, or if such Directors and parties acting in concert with them hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and parties acting in concert with them would increase by more than one per cent. (1%) in any period of six (6) months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded. When the concert party group holds over 50% of the Company's voting rights, no obligation to make a mandatory general offer under Rule 14 normally arises from acquisitions by any member of the concert party group.

Under Appendix 2 of the Code, a Shareholder who is not acting in concert with the Directors will not be required to make a mandatory general offer under Rule 14 of the 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 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months, as a result of the Company buying back its own Shares. Such a Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-Back Mandate, unless so required under the Companies Act.

Shareholders will be subject to the provisions of Rule 14 of the Code if they acquire any Shares after the Company's Share Buy-Backs. For the purposes of the Code, an increase in the percentage of voting rights as a result of the Share Buy-Backs will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than one per cent. (1%) in any period of six (6) months.

Based on the list of Shareholders as obtained from the Central Depository (Pte) Limited as at the Latest Practicable Date, the shareholdings of the Relevant Shareholders (as defined at Paragraph 2.9.4 of this Addendum) before and after the purchase of Shares pursuant to the Share Buy-Back Mandate are set out in Paragraph 2.9.4 of this Addendum.

2.9.4. Interest of the Relevant Shareholders

As at the Latest Practicable Date, the details of the shareholdings of the Directors and Substantial Shareholders (as defined in the Securities and Futures Act (Chapter 289) of Singapore ("**SFA**")) of the Company are set out in Paragraph 3 of this Addendum below.

Mr Ow Chio Kiat is the Executive Chairman and an Executive Director of the Company. In accordance with the Code, Mr Ow Chio Kiat would be presumed to be acting in concert with the following persons:

- (a) his son, Mr Ow Yew Heng, the Chief Executive Officer and an Executive Director of the Company;
- (b) his spouse, Madam Lim Siew Feng, Katherine;

- (c) his daughter, Ms Kiersten Ow Yiling;
- (d) his brother, Mr Ow Cheo Guan, the Deputy Executive Chairman and an Executive Director of the Company, and his children, Mr Ow Weiwen and Mr Ow Wei Quan;
- (e) his other siblings, Mr Aw Chio Liong and Ms Aw Chew Hua;
- (f) companies controlled by him, being Hai Sun Hup Group Pte Ltd and Maritime Properties Pte Ltd; and
- (g) Tan Gim Tee Holdings Pte Ltd, being a company controlled by Mr Ow Cheo Guan,

(collectively, the “**Relevant Shareholders**”). As at the Latest Practicable Date, the Relevant Shareholders have an aggregate interest (direct and deemed) in 392,421,300 Shares, representing approximately 50.1% of the total voting rights of the Company.

As at the Latest Practicable Date, the shareholdings of the Relevant Shareholders are as follows:

Relevant Shareholder	Direct Interest	Deemed Interest	Total No. of Shares Held	% of Issued Share Capital ⁽¹⁾
Mr Ow Chio Kiat	300,216,000	28,842,000	300,216,000	38.3
Mr Ow Yew Heng	10,000,000	–	10,000,000	1.3
Madam Lim Siew Feng, Katherine	6,666,000	–	6,666,000	0.8
Ms Kiersten Ow Yiling	20,043,100	–	20,043,100	2.6
Mr Ow Cheo Guan	3,730,000	26,400,000	3,730,000	0.5
Mr Ow Weiwen	800,000	–	800,000	0.1
Mr Ow Wei Quan	800,000	–	800,000	0.1
Mr Aw Chio Liong	738,200	– ⁽²⁾	738,200	0.1
Ms Aw Chew Hua	852,000	– ⁽²⁾	852,000	0.1
Hai Sun Hup Group Pte Ltd	12,400,000	–	12,400,000	1.6
Maritime Properties Pte Ltd	9,776,000	–	9,776,000	1.2
Tan Gim Tee Holdings Pte Ltd	26,400,000	–	26,400,000	3.4
Total	392,421,300	55,242,000	392,421,300	50.1

Notes:

⁽¹⁾ As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 782,962,382 Shares (excluding treasury shares and subsidiary holdings).

⁽²⁾ The Company, Mr Ow Chio Kiat, Mr Ow Cheo Guan and Mr Ow Yew Heng had sought confirmation from all concert parties to ascertain their deemed interests. The direct interests of Mr Aw Chio Liong and Ms Aw Chew Hua are based on the list of depositors as obtained from the Central Depository (Pte) Limited.

Shareholders should note that the shareholdings of the Relevant Shareholders as at the Latest Practicable Date and as disclosed in this Addendum are based on the list of Shareholders as obtained from the Central Depository (Pte) Limited on the Latest Practicable Date.

Based on the shareholdings of the Relevant Shareholders as at the Latest Practicable Date, and assuming that:

- (A) there is no change in their holdings of Shares between the Latest Practicable Date and the Approval Date; and
- (B) no new Shares are issued by the Company between the Latest Practicable Date and the Approval Date,

the respective shareholdings of the Relevant Shareholders as at the Approval Date and after the purchase or acquisition by the Company of a maximum of 78,296,238 Shares (being ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings)) pursuant to the Share Buy-Back Mandate are as follows:

	Before Share Buy-Back (as at the Latest Practicable Date)				After Share Buy-Back			
	Direct Interest	Deemed Interest	Total No. of Shares held	% of issued share capital ⁽¹⁾	Direct Interest	Deemed Interest	Total No. of Shares held	% of issued share capital ⁽²⁾
Mr Ow Chio Kiat	300,216,000	28,842,000	300,216,000	38.3	300,216,000	28,842,000	300,216,000	42.6
Mr Ow Yew Heng	10,000,000	–	10,000,000	1.3	10,000,000	–	10,000,000	1.4
Madam Lim Siew Feng, Katherine	6,666,000	–	6,666,000	0.9	6,666,000	–	6,666,000	1.0
Ms Kiersten Ow Yiling	20,043,100	–	20,043,100	2.5	20,043,100	–	20,043,100	2.8
Mr Ow Cheo Guan	3,730,000	26,400,000	3,730,000	0.5	3,730,000	26,400,000	3,730,000	0.5
Mr Ow Weiwen	800,000	–	800,000	0.1	800,000	–	800,000	0.1
Mr Ow Wei Quan	800,000	–	800,000	0.1	800,000	–	800,000	0.1
Mr Aw Chio Liong	738,200	– ⁽³⁾	738,200	0.1	738,200	– ⁽³⁾	738,200	0.1
Ms Aw Chew Hua	852,000	– ⁽³⁾	852,000	0.1	852,000	– ⁽³⁾	852,000	0.1
Hai Sun Hup Group Pte Ltd	12,400,000	–	12,400,000	1.6	12,400,000	–	12,400,000	1.8
Maritime Properties Pte Ltd	9,776,000	–	9,776,000	1.2	9,776,000	–	9,776,000	1.4
Tan Gim Tee Holdings Pte Ltd	26,400,000	–	26,400,000	3.4	26,400,000	–	26,400,000	3.8
Subtotal of the Relevant Shareholders	392,421,300	55,242,000	392,421,300	50.1	392,421,300	55,242,000	392,421,300	55.7
Independent Shareholders (being the Shareholders other than the Relevant Shareholders)	390,541,082	–	390,541,082	49.9	312,244,844	–	312,244,844	44.3
Total	782,962,382	55,242,000	782,962,382	100.00	704,666,144	55,242,000	704,666,144	100.00

Notes:

⁽¹⁾ As a percentage of the total number of issued Shares before the Share Buy-Back and as at the Latest Practicable Date, comprising 782,962,382 Shares (excluding treasury shares and subsidiary holdings).

⁽²⁾ As a percentage of the total number of issued Shares after the Share Buy-Back, comprising 704,666,144 Shares, assuming the Company purchased the maximum number of 78,296,238 Shares, being ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

⁽³⁾ The Company, Mr Ow Chio Kiat, Mr Ow Cheo Guan and Mr Ow Yew Heng had sought confirmation from all concert parties to ascertain their deemed interests. The direct interests of Mr Aw Chio Liong and Ms Aw Chew Hua are based on the list of depositors as obtained from the Central Depository (Pte) Limited.

In the addendum relating to the proposed renewal of the Share Buy-Back Mandate dated 11 July 2019, Shareholders were informed, *inter alia*, that:

- (i) in the event that the Company undertakes Share Buy-Backs of up to ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) within any six (6)-month period as permitted by the Share Buy-Back Mandate, the total shareholding interest of the Relevant Shareholders may be increased by more than one per cent. (1%) within a period of six (6) months as a result of the Share Buy-Backs undertaken by the Company, and as a consequence, the Relevant Shareholders would *prima facie* be required to make a mandatory general offer for the Shares held by the other Shareholders under Rule 14 of the Code; and
- (ii) by voting in favour of the ordinary resolution to approve the renewal of the Share Buy-Back Mandate at the previous AGM held on 26 July 2019, Shareholders are waiving their right to a general offer at the required price from the Relevant Shareholders in the circumstances set out in the addendum relating to the proposed renewal of the Share Buy-Back Mandate dated 11 July 2019. Such a general offer, if required to be made and had not been exempted by the SIC, would have to be made in cash or be accompanied by a cash alternative at the higher of: (a) the highest price paid by the Relevant Shareholders for any Shares in the preceding six (6) months; or (b) the highest price paid by the Company for its own Shares in the preceding six (6) months.

Under Note 5 of Rule 14.1 of the Code, no obligation normally arises from acquisitions by any member of the group when the group holds over 50% of a company. Based on the above information, as the Relevant Shareholders have as at the Latest Practicable Date aggregate voting rights of the Company of more than 50%, the increase in their shareholdings and voting rights in the event the Company purchases the maximum amount of ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) under the Share Buy-Back Mandate will not result in them being obligated to make a mandatory general offer under Rule 14 of the Code.

As at the Latest Practicable Date, the details of the shareholdings of the Directors of the Company are set out in Paragraph 3 of this Addendum below. None of the Directors (together with persons acting in concert with them) will become obliged to make a mandatory general offer for the Company under Rule 14 and Appendix 2 of the Code in the event the Company purchases the maximum amount of ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) under the Share Buy-Back Mandate.

Save as disclosed above, the Directors are also not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, persons acting in concert such that their respective interests in Shares should or ought to be consolidated, and consequences under the Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Code as a result of any Share Buy-Back should consult the SIC and/or their professional advisers at the earliest opportunity.

2.10 Listing rules

While the Listing Manual does not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time(s), because a listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued Shares, the Company will not purchase or acquire any Shares pursuant to the Share Buy-Back Mandate at any time after a price-sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price-sensitive information has been publicly announced. In particular, in line with Rule 1207(19)(c) of the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing:

- (a) two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Company's full-year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise); or
- (b) one (1) month before the announcement of the Company's half-year and full-year financial statements (if the Company does not announce its quarterly financial statements),

and ending on the date of announcement of the relevant results.

The Company is required under Rule 723 of the Listing Manual to ensure that at least ten per cent. (10%) of the total number of issued Shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The "public", as defined under the Listing Manual, are persons other than the directors, chief executive officer, Substantial Shareholders (as defined in the SFA) or controlling shareholders (as defined in the Listing Manual) of the Company and its subsidiaries, as well as the associates (as defined in the Listing Manual) of such persons.

As at the Latest Practicable Date, to the best of the Company's knowledge and based on the information provided to the Company as at the Latest Practicable Date, approximately 390,541,082 Shares, representing 49.9% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), are in the hands of the public. Assuming that (i) the Company purchases its Shares up to the full ten per cent. (10%) limit pursuant to the Share Buy-Back Mandate from the public (as defined in the Listing Manual); and (ii) all Shares purchased by the Company are held as treasury shares, the number of Shares in the hands of the public would be reduced to 312,244,844 Shares, representing 44.3% issued Shares (excluding treasury shares and subsidiary holdings).

Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full ten per cent. (10%) limit pursuant to the Share Buy-Back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

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

2.11 Taxation

Shareholders who are in doubt as to their respective tax positions or any such tax implications of Share Buy-Backs by the Company, or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

2.12 Details of Share Buy-Backs during the previous 12 months

The Company has purchased a total of 37,758,600 Shares, representing approximately 4.6% of the total issued Shares (excluding treasury shares and subsidiary holdings) as at the AGM of the Company held on 26 July 2019, by way of Market Purchases in the previous 12 months immediately preceding the Latest Practicable Date. The highest and lowest price paid was S\$0.51 and S\$0.30 per Share respectively. The total consideration paid (which includes brokerage, clearing/trading fees and goods and services tax) was S\$18,424,000. As announced by the Company on 15 May 2020, the Company had cancelled all of the 81,125,600 treasury shares that it held prior to 15 May 2020. As at the Latest Practicable Date, the Company had no treasury shares.

3 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1 Interests in the Company

As at the Latest Practicable Date, the interests of the Directors in the Shares (as extracted from the Register of Directors' and Chief Executive Officer's Shareholdings) and the interests of the Substantial Shareholders (as defined in the SFA) in the Shares (as extracted from the Register of Substantial Shareholders) are as follows:

Name	Direct interest		Deemed interest		Total interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors						
Mr Ow Chio Kiat	300,216,000	38.3	28,842,000 ⁽²⁾	3.7	329,058,000	42.0
Mr Ow Cheo Guan	3,730,000	0.5	26,400,000 ⁽³⁾	3.4	30,130,000	3.9
Mr Ow Yew Heng	10,000,000	1.3	–	–	10,000,000	1.3
Mr Mark Anthony James Vaile	–	–	–	–	–	–
Mr Lim Teck Chai, Danny	–	–	756,100 ⁽⁴⁾	0.1	756,100	0.1
Mr Huong Wei Beng	–	–	–	–	–	–
Substantial Shareholder						
Mr Ow Chio Kiat	300,216,000	38.3	28,842,000 ⁽²⁾	3.7	329,058,000	42.0

Notes:

⁽¹⁾ Based on 782,962,382 Shares (excluding treasury shares and subsidiary holdings) in issue as at the Latest Practicable Date and rounded to one (1) decimal place.

⁽²⁾ Mr Ow Chio Kiat is deemed interested in the following Shares:

(a) 6,666,000 Shares held by his spouse, Madam Lim Siew Feng, Katherine;

(b) 12,400,000 Shares held by Hai Sun Hup Group Pte Ltd by virtue of his controlling interests in Hai Sun Hup Group Pte Ltd; and

(c) 9,776,000 Shares held by Maritime Properties Pte Ltd by virtue of his controlling interests in Maritime Properties Pte Ltd.

⁽³⁾ Mr Ow Cheo Guan is deemed interested in 26,400,000 Shares held by Tan Gim Tee Holdings Pte Ltd by virtue of his controlling interests in Tan Gim Tee Holdings Pte Ltd.

⁽⁴⁾ Mr Lim Teck Chai, Danny is deemed interested in 756,100 Shares held by him through iFAST Financial Pte Ltd.

3.2 Interest in the proposed renewal of the Share Buy-Back Mandate

Save as disclosed in this Addendum (in particular, in Paragraph 2.9.4 of this Addendum), none of the Directors and, as far as the Directors are aware, the Substantial Shareholders (as defined in the SFA) of the Company have any interest, direct or indirect, in the proposed renewal of the Share Buy-Back Mandate other than through their shareholdings in the Company.

4 DIRECTORS' RECOMMENDATION

The Directors, having considered, *inter alia*, the terms, rationale for and benefits of the proposed renewal of the Share Buy-Back Mandate, are of the opinion that the proposed renewal of the Share Buy-Back Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 11, being the ordinary resolution relating to the proposed renewal of the Share Buy-Back Mandate to be proposed at the 2020 AGM.

5 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buy-Back Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading. Where information in this Addendum 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 Addendum in its proper form and context.

6 DOCUMENT AVAILABLE FOR INSPECTION

Subject to the prevailing laws and guidelines relating to safe distancing measures, the Constitution is available for inspection at the registered office of the Company at 200 Cantonment Road, #09-01, Southpoint, Singapore 089763, during normal business hours from the date of this Addendum up to and including the date of the 2020 AGM.

Yours faithfully
For and on behalf of the Board of Directors
Stamford Land Corporation Ltd

OW YEW HENG
Director