



OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore)

Company Registration Number: 193200032W

LETTER TO SHAREHOLDERS DATED 28 MARCH 2016 IN RELATION TO

- (1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE; AND**
- (2) THE PROPOSED ADOPTION OF THE NEW CONSTITUTION**

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LETTER TO SHAREHOLDERS

OVERSEA-CHINESE BANKING CORPORATION LIMITED
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Directors:

Ooi Sang Kuang (*Independent Director and Chairman*)
Samuel N. Tsien (*Executive Director and CEO*)
Cheong Choong Kong (*Non-executive Director*)
Christina Hon Kwee Fong (Christina Ong) (*Independent Director*)
Lai Teck Poh (*Independent Director*)
Lee Tih Shih (*Non-executive Director*)
Quah Wee Ghee (*Independent Director*)
Pramukti Surjaudaja (*Non-executive Director*)
Tan Ngiap Joo (*Independent Director*)
Teh Kok Peng (*Independent Director*)
Wee Joo Yeow (*Independent Director*)

Registered Office:

63 Chulia Street #10-00
OCBC Centre East
Singapore 049514

28 March 2016

To: The Shareholders of
Oversea-Chinese Banking Corporation Limited (“OCBC” or the “Bank”)

Dear Sir/Madam

1. INTRODUCTION

1.1 Background. We refer to:

- (a) the Notice of the Seventy-Ninth Annual General Meeting (“AGM”) of the Bank dated 28 March 2016 (the “Notice”), accompanying the Annual Report for the financial year ended 31 December 2015, convening the Seventy-Ninth AGM of the Bank to be held on 22 April 2016 (the “2016 AGM”);
- (b) Ordinary Resolution No. 11 relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below), as proposed in the Notice; and
- (c) Special Resolution No. 12 relating to the proposed adoption of the New Constitution (as defined in paragraph 3.2 below), as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Bank (“Shareholders”) with information relating to Ordinary Resolution No. 11 and Special Resolution No. 12, proposed in the Notice (collectively, the “Proposals”).

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the “SGX-ST”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Advice to Shareholders.** 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 advisers immediately.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 **Background.** Shareholders had approved the renewal of a mandate (the “Share Purchase Mandate”) to enable the Bank to purchase or otherwise acquire its issued ordinary shares (“Ordinary Shares”) at the Extraordinary General Meeting of the Bank held on 28 April 2015 (the “2015 EGM”). The authority and limitations on the Share Purchase Mandate were set out in the Circular to Shareholders dated 2 April 2015 (the “2015 Circular”) and the Ordinary Resolution set out in the Notice of the 2015 EGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of the Ordinary Resolution at the 2015 EGM and will expire on the date of the forthcoming 2016 AGM to be held on 22 April 2016. Accordingly, Shareholders’ approval is being sought for the renewal of the Share Purchase Mandate at the 2016 AGM.

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2.2 **Rationale for the Share Purchase Mandate.** The Share Purchase Mandate will accord OCBC the opportunity and flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The rationale for the Bank to undertake the purchase or acquisition of its Ordinary Shares is as follows:

- (a) the Share Purchase Mandate will give OCBC the flexibility to adjust its capital structure. With a Share Purchase Mandate, the Bank could achieve a more efficient capital mix to lower its cost of equity and improve return on equity ("**ROE**");
- (b) the Share Purchase Mandate will provide the Bank with greater flexibility in managing its surplus capital. To the extent that the Bank has surplus capital and funds which are in excess of its requirements, the Share Purchase Mandate will facilitate the return of surplus cash in an expedient and cost efficient manner; and
- (c) the Bank will have the flexibility to purchase or acquire Ordinary Shares for the purposes of meeting delivery obligations pursuant to its employee share schemes.

The purchase or acquisition of Ordinary Shares will only be undertaken if it can benefit the Bank and Shareholders. No purchase or acquisition of Ordinary Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy positions of the Bank and its subsidiaries (the "**Group**") and the Bank and/or the financial condition of the Group and/or affect the status of the Bank as a public limited company listed on the SGX-ST.

2.3 **Authority and Limits of the Share Purchase Mandate.** The authority and limitations placed on the Share Purchase Mandate, if renewed at the 2016 AGM, are the same as were previously approved by Shareholders at the 2015 EGM. These are summarised below:

2.3.1 **Maximum Number of Ordinary Shares**

The total number of Ordinary Shares which may be purchased or acquired by the Bank pursuant to the Share Purchase Mandate is limited to that number of Ordinary Shares representing not more than 5% of the issued Ordinary Shares of the Bank as at the date of the 2016 AGM at which the renewal of the Share Purchase Mandate is approved. Any Ordinary Shares which are held as treasury shares will be disregarded in the computation of the 5% limit.

Purely for illustrative purposes, on the basis of 4,121,561,367 Ordinary Shares in issue as at 29 February 2016, being the latest practicable date prior to the printing of this Letter (the "**Latest Practicable Date**"), and disregarding 8,176,068 Ordinary Shares held in treasury as at the Latest Practicable Date, and assuming that:

- (a) no further Ordinary Shares are issued pursuant to the exercise of exercisable options to acquire new Ordinary Shares granted pursuant to the OCBC Share Option Scheme 2001 ("**Share Options**");
- (b) no further Ordinary Shares are issued pursuant to the acquisition of Ordinary Shares under the OCBC Employee Share Purchase Plan ("**OCBC ESPP**"); and
- (c) no further Ordinary Shares are purchased or acquired by the Bank and no Ordinary Shares purchased or acquired by the Bank are held as treasury shares,

on or prior to the 2016 AGM, not more than 205,669,264 Ordinary Shares (representing 5% of the Ordinary Shares in issue (disregarding the Ordinary Shares held in treasury) as at that date) may be purchased or acquired by the Bank pursuant to the proposed Share Purchase Mandate.

2.3.2 **Duration of Authority**

Purchases or acquisitions of Ordinary Shares may be made, at any time and from time to time, on and from the date of the 2016 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the Bank is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or

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- (c) the date on which purchases and acquisitions of Ordinary Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

2.3.3 *Manner of Purchases or Acquisitions of Ordinary Shares*

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

- (a) on-market purchases (“**Market Purchases**”) effected on the SGX-ST, or on any other stock exchange on which the Ordinary Shares may for the time being be listed or quoted, through one or more duly licensed dealers appointed by the Bank for the purpose; and/or
- (b) off-market purchases (“**Off-Market Purchases**”) effected otherwise than on a stock exchange, in accordance with an equal access scheme.

The Directors of the Bank (“**Directors**”) may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual of the SGX-ST (the “**Listing Manual**”) and the Companies Act, Chapter 50 (the “**Companies Act**”) as they consider fit in the interests of the Bank in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Ordinary Shares shall be made to every person who holds Ordinary Shares to purchase or acquire the same percentage of their Ordinary Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; 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 offers may relate to Ordinary Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Ordinary Shares.

If the Bank wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) terms and conditions of the offer;
- (II) period and procedures for acceptances; and
- (III) information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

2.3.4 *Purchase Price*

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for an Ordinary Share will be determined by the Directors. The maximum price (“**Maximum Price**”) to be paid for the Ordinary Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Ordinary Shares; and
- (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Ordinary Shares,

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

“**Average Closing Price**” means the average of the last dealt prices of an Ordinary Share for the five consecutive market days on which the Ordinary Shares are transacted on the SGX-ST or, as the case may be, such stock exchange on which the

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Ordinary Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Bank or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period; and

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

2.4 **Status of Purchased Ordinary Shares.** The Ordinary Shares purchased or acquired by the Bank shall be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Ordinary Shares will expire on cancellation, unless such Ordinary Shares are held by the Bank as treasury shares. Accordingly, the total number of issued Ordinary Shares will be diminished by the number of Ordinary Shares purchased or acquired by the Bank, which are cancelled and are not held as treasury shares.

2.5 **Treasury Shares.** Ordinary Shares purchased or acquired by the Bank 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 Ordinary Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Ordinary Shares.

2.5.2 **Voting and Other Rights**

The Bank cannot exercise any right in respect of treasury shares. In particular, the Bank cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Bank 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 of the Bank’s assets may be made, to the Bank in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also 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 Ordinary Shares purchased or acquired by the Bank are held as treasury shares, the Bank may at any time but subject always to the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”):

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

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Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 Source of Funds. The Bank may purchase or acquire its Ordinary Shares out of capital, as well as from its distributable profits.

The Bank intends to use its internal sources of funds to finance its purchase or acquisition of Ordinary Shares. The Directors do not propose to exercise the Share Purchase Mandate in such a manner and to such extent that the liquidity and capital of the Group would be materially adversely affected.

2.7 Financial Effects. The financial effects on the Group and the Bank arising from purchases or acquisitions of Ordinary Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the Ordinary Shares are purchased or acquired out of capital or profits of the Bank, the number of Ordinary Shares purchased or acquired, the price at which such Ordinary Shares were purchased or acquired and whether the Ordinary Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Group and the Bank based on the audited financial statements of the Group and the Bank for the financial year ended 31 December 2015 are based on the assumptions set out below.

2.7.1 Purchase or Acquisition out of Capital or Profits

Under the Companies Act, purchases or acquisitions of Ordinary Shares by the Bank may be made out of the Bank's profits and/or capital so long as the Bank is solvent.

Where the consideration paid by the Bank for the purchase or acquisition of Ordinary Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Bank.

Where the consideration paid by the Bank for the purchase or acquisition of Ordinary Shares is made out of capital, the amount available for the distribution of cash dividends by the Bank will not be reduced.

2.7.2 Maximum Price Paid for Ordinary Shares Acquired or Purchased

Based on the existing issued Ordinary Shares as at the Latest Practicable Date (and disregarding the Ordinary Shares held in treasury), the purchase by the Bank of 5% of its issued Ordinary Shares will result in the purchase or acquisition of 205,669,264 Ordinary Shares.

Assuming that the Bank purchases or acquires the 205,669,264 Ordinary Shares at the Maximum Price, the maximum amount of funds required is approximately:

- (a) in the case of Market Purchases of Ordinary Shares, S\$1,723.51 million based on S\$8.38 for one Ordinary Share (being the price equivalent to 5% above the Average Closing Price of the Ordinary Shares traded on the SGX-ST for the five consecutive market days immediately preceding the Latest Practicable Date); and
- (b) in the case of Off-Market Purchases of Ordinary Shares, S\$1,805.78 million based on S\$8.78 for one Ordinary Share (being the price equivalent to 10% above the Average Closing Price of the Ordinary Shares traded on the SGX-ST for the five consecutive market days immediately preceding the Latest Practicable Date).

2.7.3 Whether the Ordinary Shares are Cancelled or Held in Treasury

The financial effects on the Group and the Bank arising from purchases or acquisitions of Ordinary Shares will also depend on whether the Ordinary Shares purchased or acquired are cancelled or held in treasury.

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2.7.4 Illustrative Financial Effects

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

- (a) the Share Purchase Mandate had been effective on 1 January 2015;
- (b) 238,593 Ordinary Shares delivered for a total consideration of S\$1.57 million pursuant to the exercise of Share Options between 1 January 2016 and the Latest Practicable Date had been delivered on 1 January 2015 against the transfer of 238,593 Ordinary Shares held in treasury;
- (c) 1,042 Ordinary Shares delivered for a total consideration of S\$0.01 million pursuant to the acquisition of Ordinary Shares made pursuant to the OCBC ESPP between 1 January 2016 and the Latest Practicable Date had been delivered on 1 January 2015 against the transfer of 1,042 Ordinary Shares held in treasury;
- (d) 2,330,000 Ordinary Shares were purchased for a total consideration of S\$19.27 million between 1 January 2016 and the Latest Practicable Date; and
- (e) the purchase consideration is funded by the Bank from excess funds hitherto deployed in the interbank market with an average effective yield of 1.16% before tax and the tax rate is assumed to be 17%,

the financial effects on the audited financial statements of the Group and the Bank for the financial year ended 31 December 2015 would have been as follows:

Scenario 1

Market Purchases of up to 5% at 105% of the Average Closing Price

(i) Pro-forma financial effects on the Group and the Bank

	Group		Bank	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Total Shareholders' Equity (S\$'000)	34,535,083	32,795,007	26,719,577	24,979,501
Ordinary Shareholders' Equity (S\$'000)	33,035,942	31,295,865	25,220,436	23,480,359
Number of Ordinary Shares ('000)	4,113,385	3,907,716	4,113,385	3,907,716
Weighted average number of Ordinary Shares ('000)	4,033,223	3,827,554	4,033,223	3,827,554
Net profit attributable to Shareholders (S\$'000) ⁽¹⁾	3,902,937	3,886,369	2,315,839	2,299,271

(ii) Pro-forma effects on financial ratios of the Group

	Before Share Purchase	After Share Purchase
Net Asset Value per Ordinary Share (S\$)	8.03	8.01
EPS (S\$)	0.95	1.00
ROE (%)	11.9	12.5
Common Equity Tier 1 ("CET1") CAR (%) ⁽²⁾	14.8	13.9
Tier 1 CAR (%) ⁽²⁾	14.8	13.9
Total CAR (%) ⁽²⁾	16.7	15.8

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Scenario 2

Off-Market Purchases of up to 5% at 110% of the Average Closing Price

(i) *Pro-forma financial effects on the Group and the Bank*

	Group		Bank	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Total Shareholders' Equity (S\$'000)	34,535,083	32,711,948	26,719,577	24,896,442
Ordinary Shareholders' Equity (S\$'000)	33,035,942	31,212,807	25,220,436	23,397,301
Number of Ordinary Shares ('000)	4,113,385	3,907,716	4,113,385	3,907,716
Weighted average number of Ordinary Shares ('000)	4,033,223	3,827,554	4,033,223	3,827,554
Net profit attributable to Shareholders (S\$'000) ⁽¹⁾	3,902,937	3,885,578	2,315,839	2,298,480

(ii) *Pro-forma effects on financial ratios of the Group*

	Before Share Purchase	After Share Purchase
Net Asset Value per Ordinary Share (S\$)	8.03	7.99
EPS (S\$)	0.95	1.00
ROE (%)	11.9	12.6
Common Equity Tier 1 ("CET1") CAR (%) ⁽²⁾	14.8	13.8
Tier 1 CAR (%) ⁽²⁾	14.8	13.8
Total CAR (%) ⁽²⁾	16.7	15.8

Notes:

⁽¹⁾ The lower net profit attributable to Shareholders after a share purchase is because the Bank would no longer earn interest on the excess funds used for the purchase of its Ordinary Shares, which, in the above illustration, is accorded an average effective yield of 1.16% per annum before tax of 17%. However, the ROE will increase.

⁽²⁾ The capital adequacy ratios are computed based on the Monetary Authority of Singapore's ("MAS") Basel III transitional rules for 2015.

Shareholders should note that the financial effects set out above are based on the audited financial statements of the Group and the Bank for the financial year ended 31 December 2015 and are for illustration only. The results of the Group and the Bank for the financial year ended 31 December 2015 may not be representative of future performance.

Although the Share Purchase Mandate would authorise the Bank to purchase or acquire up to 5% of the issued Ordinary Shares (excluding Ordinary Shares held in treasury), the Bank may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the issued Ordinary Shares (excluding Ordinary Shares held in treasury). In addition, the Bank may cancel or hold in treasury all or part of the Ordinary Shares purchased or acquired.

The Bank will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Ordinary Shares) in assessing the relative impact of a share purchase before execution.

2.8 **Listing Status of the Ordinary Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by public shareholders. As at the Latest Practicable Date, approximately 72.2% of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) are held by public Shareholders. Accordingly, the Bank is of the view that there is a sufficient number of the Ordinary Shares in issue (excluding Ordinary Shares held in treasury) held by public Shareholders which would permit the Bank to undertake purchases or acquisitions of its Ordinary Shares through Market Purchases up to the full 5% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Ordinary Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

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2.9 **Shareholding Limits.** The Banking Act, Chapter 19 (the “**Banking Act**”) provides, *inter alia*, that, on or after 18 July 2001:

- (a) no person shall become a substantial shareholder of a designated financial institution without first obtaining the approval of the Minister for Finance;
- (b) no person shall enter into any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any person with respect to the acquisition, holding or disposal of, or the exercise of rights in relation to, their interests in voting shares of an aggregate of 5% or more of the total votes attached to all voting shares in a designated financial institution (the “**5% Limit**”), without first obtaining the approval of the Minister for Finance; and
- (c) no person shall become a 12% controller or a 20% controller of a designated financial institution without first obtaining the approval of the Minister for Finance.

For the purposes of the Banking Act:

“**designated financial institution**” means (i) a bank incorporated in Singapore; or (ii) a financial holding company;

“**substantial shareholder**” of a designated financial institution means a person who has a substantial shareholding in the designated financial institution. A person has a substantial shareholding in a designated financial institution if (i) he has an interest or interests in one or more voting shares in the designated financial institution; and (ii) the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the designated financial institution;

“**12% controller**” means a person, not being a 20% controller, who alone or together with his associates, (i) holds not less than 12% of the total number of issued shares in the designated financial institution; or (ii) is in a position to control voting power of not less than 12% in the designated financial institution; and

“**20% controller**” means a person who, alone or together with his associates, (i) holds not less than 20% of the total number of issued shares in the designated financial institution; or (ii) is in a position to control voting power of not less than 20% in the designated financial institution.

The shareholding percentage of a holder of Ordinary Shares (whose Ordinary Shares were not the subject of a share purchase or acquisition by the Bank) in the issued share capital of the Bank immediately following any purchase or acquisition of Ordinary Shares will increase should the Bank cancel the Ordinary Shares purchased or acquired by the Bank.

Similarly, the percentage of voting rights of a holder of Ordinary Shares (whose Ordinary Shares were not the subject of a share purchase or acquisition by the Bank) in the issued share capital of the Bank immediately following any purchase or acquisition of Ordinary Shares will increase should the Bank hold in treasury the Ordinary Shares purchased or acquired by the Bank.

The Bank wishes to draw the attention of Shareholders to the following consequences of a purchase or acquisition of Ordinary Shares by the Bank pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

A purchase or acquisition of Ordinary Shares by the Bank may inadvertently cause the interest in the Ordinary Shares of any person to reach or exceed the 5% Limit or cause any person to become a substantial shareholder, a 12% controller or a 20% controller.

Shareholders whose shareholdings are close to the limits set out in the Banking Act **are advised to ensure that they are in compliance with the requirements of the Banking Act and take such action as may be necessary, including seeking the prior approval of the Minister for Finance** to continue to hold, on such terms as may be imposed by the Minister for Finance, such number of Ordinary Shares in excess of any of such limits, as a consequence of a purchase or acquisition of Ordinary Shares by the Bank. Shareholders who are in any doubt as to the action that they should take should consult their professional adviser.

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2.10 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Bank of its Ordinary Shares are set out below:

2.10.1 *Obligation to Make a Take-over Offer*

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

2.10.2 *Persons Acting in Concert*

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

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) 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; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

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

2.10.3 *Effect of Rule 14 and Appendix 2*

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

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

Based on the interests of substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, none of the substantial Shareholders would become obliged to make a take-over offer for the Bank under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Bank of the maximum limit of 5% of its issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Ordinary Shares by the Bank should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

- 2.11 **Listing Rules.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares and (b) 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. Such announcement must include, *inter alia*, the maximum number of shares authorised for purchase, the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and the number of treasury shares held after the purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Bank will not undertake any purchase or acquisition of Ordinary Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, the Bank will not purchase or acquire any Ordinary Shares through Market Purchases during the period of one month immediately preceding the announcement of the Bank's full-year results and the period of two weeks before the announcement of the first quarter, half-year and third quarter results.

- 2.12 **Previous Purchases.** As at the Latest Practicable Date, the Bank had purchased or acquired an aggregate of 8,900,000 Ordinary Shares by way of Market Purchases pursuant to the Share Purchase Mandate approved by Shareholders at the 2015 EGM. The highest and lowest price paid was S\$10.51 and S\$7.76 per Ordinary Share respectively. The total consideration (excluding Goods and Services Tax) paid for all of the purchases was S\$82.43 million.

3. THE PROPOSED ADOPTION OF THE NEW CONSTITUTION

- 3.1 **Companies (Amendment) Act 2014.** The Companies (Amendment) Act 2014 (the "**Amendment Act**"), which was passed in Parliament on 8 October 2014 and took effect in phases on 1 July 2015 and 3 January 2016 respectively, introduced wide-ranging changes to the Companies Act. The changes aim to reduce regulatory burden on companies, provide for greater business flexibility and improve the corporate governance landscape in Singapore. The key changes include the introduction of a multiple proxies regime to enfranchise indirect investors and CPF investors, provisions to facilitate the electronic transmission of notices and documents, and the merging of the memorandum and articles of association of a company into one document called the "constitution".
- 3.2 **New Constitution.** The Bank is accordingly proposing to adopt a new constitution (the "**New Constitution**"), which will consist of the memorandum and articles of association of the Bank which were in force immediately before 3 January 2016 (the "**Existing Constitution**"), and incorporate amendments to take into account the changes to the Companies Act introduced pursuant to the Amendment Act. The proposed New Constitution also contains updated provisions which are consistent with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual. In addition, the Bank is taking this opportunity to include provisions in the New Constitution to address the personal data protection regime in Singapore, and also to streamline and rationalise certain other provisions.

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3.3 **Summary of Principal Provisions.** The following is a summary of the principal provisions of the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions:

3.3.1 *Companies Act*

The following Articles include provisions which are in line with the Companies Act, as amended pursuant to the Amendment Act:

- (a) **Article 1 (Articles 2 and 3 of Existing Constitution).** Article 1, which is the interpretation section of the New Constitution, includes the following additional/revised provisions:
 - (i) new definitions of “registered address” and “address” to make it clear that these expressions mean, in relation to any Shareholder, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly specified;
 - (ii) a revised provision stating that the expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Securities and Futures Act, Chapter 289 (the “SFA”). This follows the migration of the provisions in the Companies Act which relate to the Central Depository System to the SFA pursuant to the Amendment Act;
 - (iii) a new provision stating that the expressions “current address”, “electronic communication” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Companies Act. This follows the introduction of new provisions facilitating electronic communication and the multiple proxies regime pursuant to the Amendment Act; and
 - (iv) a revised definition of “in writing” to make it clear that this expression includes any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether physical or electronic. This would facilitate, for example, a proxy instrument being in either physical or electronic form.
- (b) **Article 9.** Article 9 is a new provision which provides that new shares may be issued for no consideration. This is in line with new section 68 of the Companies Act, which clarifies that a company having a share capital may issue shares for which no consideration is payable to the issuing company.
- (c) **Article 15 (Article 12 of Existing Constitution).** Article 15, which relates to the Bank’s power to alter its share capital, has new provisions which:
 - (i) empower the Bank, by Ordinary Resolution, to convert its share capital or any class of shares from one currency to another currency. This is in line with new section 73 of the Companies Act, which sets out the procedure for such re-denominations; and
 - (ii) empower the Bank, by Special Resolution, to convert one class of shares into another class of shares. This is in line with new section 74A of the Companies Act, which sets out the procedure for such conversions.
- (d) **Article 22 (Article 19 of Existing Constitution).** The requirement to disclose the amount paid on the shares in the share certificate relating to those shares has been removed in Article 22, which relates to share certificates. A share certificate need only state (*inter alia*) the number and class of the shares, whether the shares are fully or partly paid up, and the amount (if any) unpaid on the shares. This follows the amendments to section 123(2) of the Companies Act pursuant to the Amendment Act.
- (e) **Article 60 (Article 57 of Existing Constitution).** Article 60, which relates to the routine business that is transacted at an AGM, has been revised to:
 - (i) substitute the references to “accounts” with “financial statements”, and references to “reports of the Directors” with “Directors’ statement”, for consistency with the updated terminology in the Companies Act;

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- (ii) expand the routine business items to include, in addition to the re-appointment of the retiring Auditor, the appointment of a new Auditor; and
 - (iii) clarify the types of Directors' remuneration which will be subject to Shareholder approval as routine business.
- (f) **Article 68(2) (Article 65 of Existing Constitution).** Article 68(2), which relates to the method of voting at a general meeting where mandatory polling is not required, has been revised to reduce the threshold for eligibility to demand a poll from 10% to 5% of the total voting rights of the members having the right to vote at the meeting, or of the total sum paid up on all the shares conferring that right. This is in line with section 178 of the Companies Act, as amended pursuant to the Amendment Act.
- (g) **Articles 72, 78 and 80(1) (Articles 69, 75 and 77 of Existing Constitution).** Articles 72, 78 and 80(1), which relate to the voting rights of Shareholders and the appointment and deposit of proxies, have new provisions which cater to the multiple proxies regime introduced by the Amendment Act. The multiple proxies regime allows "relevant intermediaries", such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board, to appoint more than two proxies to attend, speak and vote at general meetings. In particular:
- (i) Article 78(1) provides that save as otherwise provided in the Companies Act, a Shareholder who is a "relevant intermediary" may appoint more than two proxies to attend, speak and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Shareholder, and where such Shareholder's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed must be specified in the form of proxy. This is in line with new section 181(1C) of the Companies Act;
 - (ii) Article 78(2) provides that the Bank will be entitled and bound to reject an instrument of proxy lodged by a Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 (previously 48) hours before the time of the relevant general meeting. Consequential changes have also been made in Articles 72 and 78(2) to make it clear that the number of votes which a Depositor or his proxy can cast on a poll is the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting. This is in line with new section 81SJ(4) of the SFA;
 - (iii) Article 72 provides that in the case of a Shareholder who is a "relevant intermediary" and who is represented at a general meeting by two or more proxies, each proxy shall be entitled to vote on a show of hands. This is in line with new section 181(1D) of the Companies Act; and
 - (iv) the cut-off time for the deposit of proxies has been extended from 48 to 72 hours before the time appointed for holding the general meeting in Article 80(1). This is in line with section 178(1)(c) of the Companies Act, as amended pursuant to the Amendment Act.
- (h) **Article 100 (Article 97 of Existing Constitution).** Article 100, which relates to the filling of the office vacated by a retiring Director in default circumstances except in certain cases, has been revised to remove the event of a Director attaining any applicable retiring age as an exception to a deemed re-election to office. This follows the repeal of section 153 of the Companies Act and removal of the 70-year age limit for directors of public companies and subsidiaries of public companies.
- (i) **Article 117 (Article 114 of Existing Constitution).** Article 117, which relates to the general powers of the Directors to manage the Bank's business, clarifies that the business and affairs of the Bank are to be managed by, or under the direction of or, additionally, under the supervision of, the Directors. This is in line with section 157A of the Companies Act, as amended pursuant to the Amendment Act.
- (j) **Articles 126, 145 and 146 (Articles 123, 142 and 143 of Existing Constitution).** Article 146, which relates to the sending of the Bank's financial statements and related documents to Shareholders, additionally provides that such documents may, subject to the listing rules of the SGX-ST, be sent less than 14 days before the date of the general meeting with the agreement of all persons entitled to receive notices of general meetings. This is in line with new section 203(2) of the Companies Act, which provides that the requisite financial statements and other related documents may be sent

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less than 14 days before the date of the general meeting at which they are to be laid if all the persons entitled to receive notice of general meetings of the company so agree. Notwithstanding this proviso, the Bank is currently required to comply with Rule 707(2) of the Listing Manual, which provides that an issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting. The requirement to send these documents to debenture holders has also been removed in Article 146.

The references to the Bank's "accounts", "profit and loss account(s)" and Directors' "reports" have also been updated/substituted in Articles 126, 145 and 146 with references to "financial statements" and Directors' "statements", as appropriate, for consistency with the updated terminology in the Companies Act.

- (k) **Article 149 (Article 146 of Existing Constitution).** Article 149, which relates to the service of notices to Shareholders, has new provisions to facilitate the electronic transmission of notices and documents following the introduction of simplified procedures for the sending of notices and documents electronically pursuant to new section 387C of the Companies Act.

Under new section 387C, notices and documents may be given, sent or served using electronic communications with the express, implied or deemed consent of the member in accordance with the constitution of the company.

There is express consent if a shareholder expressly agrees with the company that notices and documents may be given, sent or served on him using electronic communications. There is deemed consent if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that shareholders will be given an opportunity to elect, within a specified period of time, whether to receive electronic or physical copies of such notices and documents, and the shareholder fails to make an election within the specified period of time. There is implied consent if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that shareholders agree to receive such notices or documents by way of electronic communications and do not have a right to elect to receive physical copies of such notices and documents. Certain safeguards for the use of the deemed consent and implied consent regimes are prescribed under new regulation 89C of the Companies Regulations.

New section 387C was introduced to give effect to recommendations by the Steering Committee for Review of the Companies Act to ease the rules for the use of electronic transmission and to make them less prescriptive, and these recommendations were accepted by the Ministry of Finance ("MOF"). In accepting these recommendations, the MOF noted the concerns of some shareholders who would prefer to have an option to receive physical copies of the notices and documents, notwithstanding that the company adopts the implied consent regime, and indicated that such shareholders could highlight their concerns when a company proposes amendments to its constitution to move to an implied consent regime.

Shareholders who are supportive of the new deemed consent and implied consent regimes for electronic communications may vote in favour of the adoption of the New Constitution, which incorporates new provisions (contained in Article 149) to facilitate these regimes, while Shareholders who are not supportive of the new regimes may vote against it.

Article 149 provides that:

- (i) notices and documents may be sent to Shareholders using electronic communications either to a Shareholder's current address (which may be an email address) or by making it available on a website;
- (ii) for these purposes, a Shareholder is deemed to have agreed to receive such notice or document by way of electronic communications and shall not have a right to elect to receive a physical copy of such notice or document (this is the implied consent regime permitted under the new section 387C); and
- (iii) notwithstanding sub-paragraph (ii) above, the Directors may decide to give Shareholders an opportunity to elect to opt out of receiving such notice or document by way of electronic communications, and a Shareholder is deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity but failed to opt out within the specified time (this is the deemed consent regime permitted under the new section 387C).

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Article 149 additionally provides for when service is effected in the case of notices or documents sent by electronic communications. In particular, where a notice or document is made available on a website, it is deemed served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Companies Act and/or other applicable regulations or procedures. Further, in the case of service on a website, the Bank must give separate notice of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by (1) sending such separate notice to Shareholders personally or by post, and/or (2) sending such separate notice to Shareholders' current addresses (which may be email addresses), and/or (3) by way of advertisement in the daily press, and/or (4) by way of announcement on the SGX-ST.

Under new regulation 89D of the Companies Regulations, notices or documents relating to take-over offers and rights issues are excluded from the application of section 387C and therefore cannot be transmitted by electronic means pursuant to section 387C.

As at the Latest Practicable Date, the outcome of a public consultation by the SGX-ST on (*inter alia*) whether listed issuers should be allowed to send notices and documents to shareholders electronically under the new regimes permitted under the Companies Act is not known yet. In its consultation, the SGX-ST had also asked for comments on additional safeguards in relation to the new regimes. There is no certainty that the listing rules will be amended to allow electronic transmission of notices and documents under the new regimes. Going forward, for so long as the Bank is listed on the SGX-ST, the Bank will not make use of the new regimes to transmit notices or documents electronically to Shareholders unless the SGX-ST's listing rules allow it, and the Bank will comply with the SGX-ST's listing rules on the subject.

- (l) **Article 156 (Article 153 of Existing Constitution).** Article 156, which relates to Directors' indemnification, has been expanded to permit the Bank, subject to the provisions of and so far as may be permitted by the Companies Act, to indemnify a Director against losses "to be incurred" by him in the execution of his duties. This is in line with new sections 163A and 163B of the Companies Act, which permit a company to lend, on specified terms, funds to a director for meeting expenditure incurred "or to be incurred" by him in defending court proceedings or regulatory investigations.

3.3.2 Listing Manual

Rule 730(2) of the Listing Manual provides that if an issuer amends its articles or other constituent documents, they must be made consistent with all the listing rules prevailing at the time of amendment.

The following Articles have been updated to ensure consistency with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual:

- (a) **Article 8.** Article 8 is a new provision which provides that the rights attaching to shares of a class other than ordinary shares must be expressed in the constitution. This is in line with paragraph (1)(b) of Appendix 2.2 of the Listing Manual.
- (b) **Articles 68, 69, 70 and 71 (Articles 65, 66, 67 and 68 of Existing Constitution).** Article 68, which relates to the method of voting at general meetings, has new provisions to make it clear that, if required by the listing rules of the SGX-ST, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the SGX-ST). Consequential changes have been made to Articles 69, 70 and 71. These changes are in line with Rule 730A of the Listing Manual.
- (c) **Articles 97 and 100 (Articles 94 and 97 of Existing Constitution).** Article 97, which relates to the vacation of office of a Director in certain events, additionally provides that a Director shall cease to hold office if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. Consequential changes have been made to Article 100, which relates to the filling of the office vacated by a retiring Director in certain default events, to provide that a retiring Director is deemed to be re-elected in certain default circumstances except, additionally, where he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. These changes are in line with paragraph (9)(n) of Appendix 2.2 of the Listing Manual.

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3.3.3 PDPA

In general, under the Personal Data Protection Act 2012, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. The new Article 158 specifies, *inter alia*, the purposes for which the Bank and/or its agents and service providers would collect, use and disclose personal data of Shareholders and their appointed proxies or representatives.

3.3.4 General

The following Articles have been updated, streamlined and rationalised generally:

- (a) **Proviso to objects clauses.** The proviso to the objects clauses that “*nothing in this Memorandum contained shall empower the Company to carry on the business of Life Assurance within the meaning of Ordinance No. 146 (Life Assurance Companies) or the business of Fire Insurance within the meaning of Ordinance No. 164 (Fire Insurance Companies) or to reinsure any risks under any class of assurance business to which those Ordinances apply*” has been removed as the Ordinances referred to therein no longer exist.
- (b) **Articles 11 and 16 (Articles 8 and 13 of Existing Constitution).** Articles 11 and 16, which relate to treasury shares and to the Bank's power to reduce capital and to repurchase shares, have been updated to include references to compliance with the Banking Act, which was amended in 2007 to provide that a Singapore-incorporated bank shall not reduce its paid-up capital or, additionally, purchase or otherwise acquire shares issued by the bank if such shares are to be held as treasury shares, without approval of the MAS.
- (c) **Article 26 (Article 23 of Existing Constitution).** Article 26, which relates to the issue of replacement share certificates in the case of defacement, wearing out, destruction, loss or theft, has been expanded to permit the Bank to issue replacement certificates for any other reason.
- (d) **Article 56 (Article 53 of Existing Constitution).** Article 56, which relates to the time-frame for holding AGMs, has been revised to make it clear that an AGM shall be held once in every year within a period of not more than 15 months after the last preceding AGM, but that this is save as otherwise permitted under the Companies Act. This will provide the Bank with the flexibility, if the need to do so should arise, to apply for an extension of the 15-month period between AGMs in accordance with the provisions of the Companies Act, notwithstanding that the period may extend beyond the calendar year.
- (e) **Articles 79 and 80 (Articles 76 and 77 of Existing Constitution).** Article 79, which relates to the execution of proxies, has new provisions to facilitate the appointment of a proxy through electronic means online. In particular, it provides that a Shareholder can elect to signify his approval for the appointment of a proxy via electronic communication, through such method and in such manner as may be approved by the Directors, in lieu of the present requirement of signing, or where applicable, the affixation of the corporate Shareholder's common seal.

For the purpose of accommodating the deposit by Shareholders, and receipt by the Bank, of electronic proxy instructions by Shareholders who elect to use the electronic appointment process, Article 80, which relates to the deposit of proxies, has new provisions which authorise the Directors to prescribe and determine the manner of receipt by the Bank of the instrument appointing a proxy through digital means.

- (f) **Articles 82 and 97 (Articles 79 and 94 of Existing Constitution).** These Articles have been updated to substitute the references to insane persons and persons of unsound mind with references to persons who are mentally disordered and incapable of managing himself or his affairs, following the enactment of the Mental Health (Care and Treatment) Act, Chapter 178A, which repealed and replaced the Mental Disorders and Treatment Act.

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- (g) **Articles 97 and 100 (Articles 94 and 97 of Existing Constitution).** Article 97, which relates to the vacation of office of a Director in certain events, additionally provides that a Director shall cease to hold office if the Bank receives a directive from the MAS to remove him from office. Article 100, which relates to the filling of the office vacated by a retiring Director in certain default events, provides that a retiring Director is deemed to be re-elected in certain default circumstances except, additionally, where he is disqualified from acting as a director under the Banking Act. These additional provisions will facilitate the operation of section 54 of the Banking Act.
- (h) **Article 143 (Article 140 of Existing Constitution).** Article 143, which relates to the Directors' power to issue free shares and/or to capitalise reserves for the benefit of non-executive Directors as part of their Directors' remuneration, has been expanded to empower the Directors to do the same for the benefit of the participants of any share-based incentive plan which has been approved by Shareholders, for added flexibility.

3.4 **The Appendix.** The text of the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, is set out in the Appendix to this Letter and the main differences are blacklined. The proposed adoption of the New Constitution is subject to Shareholders' approval.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 **Directors' Interests.** The interests of the Directors in the Ordinary Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Ordinary Shares			% of Issued Ordinary Shares ⁽¹⁾
	Direct Interest	Deemed Interest ⁽²⁾	Total Interest	
Ooi Sang Kuang	19,793	-	19,793	nm ⁽³⁾
Samuel N. Tsien	472,303	-	472,303	0.01
Cheong Choong Kong	1,337,466	13,152	1,350,618	0.03
Christina Hon Kwee Fong (Christina Ong)	-	-	-	-
Lai Teck Poh	1,035,820	-	1,035,820	0.03
Lee Tih Shih	3,286,468	-	3,286,468	0.08
Quah Wee Ghee	20,650	576	21,226	nm ⁽³⁾
Pramukti Surjaudaja	43,344	-	43,344	nm ⁽³⁾
Tan Ngiap Joo	1,301,478	-	1,301,478	0.03
Teh Kok Peng	485,361	-	485,361	0.01
Wee Joo Yeow	39,639	4,689	44,328	nm ⁽³⁾
				Number of Ordinary Shares Comprised in Options/Rights/Awards Held
Samuel N. Tsien				3,959,340 ⁽⁴⁾
Cheong Choong Kong				1,339,720 ⁽⁵⁾
Tan Ngiap Joo				51,415 ⁽⁵⁾

Notes:

- ⁽¹⁾ Based on 4,113,385,299 issued Ordinary Shares as of the Latest Practicable Date (this is based on 4,121,561,367 Ordinary Shares in issue as at the Latest Practicable Date and disregarding 8,176,068 Ordinary Shares held in treasury as at the Latest Practicable Date).
- ⁽²⁾ This represents Ordinary Shares held by spouse.
- ⁽³⁾ "nm" means not meaningful.
- ⁽⁴⁾ Comprises: (i) 3,290,004 options granted under the OCBC Share Option Scheme 2001; (ii) 7,377 rights to acquire Ordinary Shares granted under the OCBC Employee Share Purchase Plan; and (iii) 661,959 unvested Ordinary Shares granted under the OCBC Deferred Share Plan.
- ⁽⁵⁾ Comprises options granted under the OCBC Share Option Scheme 2001.

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4.2 **Substantial Shareholders' Interests.** The interests of the substantial Shareholders in the Ordinary Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Ordinary Shares			% of Issued Ordinary Shares ⁽¹⁾
	Direct Interest	Deemed Interest	Total Interest	
Lee Foundation	177,745,859	635,481,795 ⁽²⁾	813,227,654	19.77
Selat (Pte) Limited	451,992,655	19,375,466 ⁽³⁾	471,368,121	11.46

Notes:

- ⁽¹⁾ Based on 4,113,385,299 issued Ordinary Shares as of the Latest Practicable Date (this is based on 4,121,561,367 Ordinary Shares in issue as at the Latest Practicable Date and disregarding 8,176,068 Ordinary Shares held in treasury as at the Latest Practicable Date).
- ⁽²⁾ This represents Lee Foundation's deemed interest in (a) 27,437,069 Ordinary Shares held by Lee Pineapple Company (Pte) Limited, (b) 451,992,655 Ordinary Shares held by Selat (Pte) Limited, (c) 153,598,436 Ordinary Shares held by Singapore Investments (Pte) Limited and (d) 2,453,635 Ordinary Shares held by Peninsula Plantations Sendirian Berhad.
- ⁽³⁾ This represents Selat (Pte) Limited's deemed interest in (a) 1,570,239 Ordinary Shares held by South Asia Shipping Company Private Limited and (b) 17,805,227 Ordinary Shares held by Island Investment Company (Private) Limited.

5. DIRECTORS' RECOMMENDATIONS

- 5.1 **Proposed Renewal of Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Bank. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution No. 11, being the Ordinary Resolution relating to the renewal of the Share Purchase Mandate to be proposed at the 2016 AGM.
- 5.2 **Proposed Adoption of New Constitution.** The Directors are of the opinion that the proposed adoption of the New Constitution is in the best interests of the Bank. Accordingly, they recommend that Shareholders vote in favour of Special Resolution No. 12, being the Special Resolution relating to the adoption of the New Constitution to be proposed at the 2016 AGM.

6. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Bank at 63 Chulia Street #10-00, OCBC Centre East, Singapore 049514, during normal business hours from the date of this Letter up to the date of the 2016 AGM:

- (a) the Existing Constitution;
- (b) the proposed New Constitution;
- (c) the annual report of the Bank for the financial year ended 31 December 2015; and
- (d) the 2015 Circular.

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7. 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 Proposals, and the Bank and its subsidiaries which are relevant to the Proposals, 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.

Yours faithfully
for and on behalf of
the Board of Directors of
OVERSEA-CHINESE BANKING CORPORATION LIMITED

OOI SANG KUANG
CHAIRMAN

APPENDIX

THE PRINCIPAL PROVISIONS IN THE NEW CONSTITUTION WHICH ARE SIGNIFICANTLY DIFFERENT FROM EQUIVALENT PROVISIONS IN THE EXISTING CONSTITUTION

Set out below are the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, with the main differences blacklined:

1. Article 1

21.	(1)	In these Articles <u>this Constitution</u> (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.	Interpretation
		“Banking Act”	The Banking Act, Chapter 19, as amended from time to time.
		“Companies Act”	The Companies Act, Chapter 50, <u>as amended from time to time.</u>
		“Company”	Oversea-Chinese Banking Corporation Limited.
		“Directors”	The directors for the time being of the Company.
		“Market Day”	A day on which the SGX-ST is open for trading in securities.
		“MAS”	The Monetary Authority of Singapore.
		“Minister”	The Minister referred to in the Banking Act.
		“month”	Calendar month.
		“Office”	The registered office of the Company for the time being.
		“paid”	Paid or credited as paid.
		“Prescribed Limits”	Shareholding limits applicable to the Company and shares in the capital of the Company as prescribed by the Banking Act from time to time.
		“<u>registered address</u>” or “<u>address</u>”	<u>In relation to any member, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly provided in this Constitution.</u>
		“Seal”	The Common Seal of the Company.
		“SGX-ST”	Singapore Exchange Securities Trading Limited.
		“Statutes”	The Companies Act and every other Act for the time being in force concerning companies and affecting the Company.
		“these <u>Article</u>this <u>Constitution</u>”	These Articles of Association <u>This Constitution</u> as from time to time altered.
		“Year”	Calendar year.

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- (2) In ~~these Articles~~ this Constitution:
- (a) the expressions “**Depositor**”, “**Depository**”, “**Depository Agent**”; and “**Depository Register**” and “**treasury shares**” shall have the meanings ascribed to them respectively in the ~~Companies Act~~ Securities and Futures Act, Chapter 289;
 - (b) the expressions “**current address**”, “**electronic communication**”, “**relevant intermediary**” and “**treasury shares**” shall have the meanings ascribed to them respectively in the Companies Act;
 - (bc) the references in ~~these Articles~~ this Constitution to “**holders**” of shares or a class of shares shall:
 - (i) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in ~~these Articles~~ this Constitution or where the term “**registered holders**” or “**registered holder**” is used in ~~these Articles~~ this Constitution;
 - (ii) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
 - (iii) except where otherwise expressly provided in ~~these Articles~~ this Constitution, exclude the Company in relation to shares held by it as treasury shares,and “**holding**” and “**held**” shall be construed accordingly;
 - (ed) the references in ~~these Articles~~ this Constitution to “**member**” shall, where the Companies Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares;
 - (de) the expression “**Secretary**” shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons;
 - (ef) the expression “**in writing**” shall mean written or produced by any substitute for writing or partly one and partly another and shall include (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Statutes) any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever;
 - (fg) all such of the provisions of ~~these Articles~~ this Constitution as are applicable to paid-up shares shall apply to stock, and the words “**share**” and “**shareholder**” shall be construed accordingly;
 - (gh) words denoting the singular shall include the plural and *vice versa*. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations;

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	(hi)	any reference in these Articles <u>this Constitution</u> to any enactment is a reference to that enactment as for the time being amended or re-enacted; and	
	(ij)	subject as aforesaid any words or expression defined in the Companies Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles <u>this Constitution</u> .	
	(3)	The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of these Articles <u>this Constitution</u> .	
3:	(4)	A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles <u>this Constitution</u> .	
	(5)	<u>This Constitution shall be construed in accordance with the English text hereof and no translation thereof shall operate to vary or affect such construction.</u>	
2.	Article 8		
	<u>8.</u>	<u>The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.</u>	<u>Shares of a class other than ordinary shares</u>
3.	Article 9		
	<u>9.</u>	<u>The Company may issue shares for which no consideration is payable to the Company.</u>	<u>Issue of shares for no consideration</u>
4.	Article 11		
	<u>811.</u>	The Company shall not exercise any right in respect of treasury shares other than as provided by the Companies Act and the Banking Act . Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act <u>and the Banking Act</u> .	<u>Treasury Shares</u>
5.	Article 15		
	1215. <u>(1)</u>	The Company may by Ordinary Resolution:	
	(a)	consolidate and divide all or any of its shares;	
	(b)	sub-divide its shares, or any of them (subject, nevertheless, to the provisions of the Statutes <u>and this Constitution</u>), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and	<u>Power to consolidate cancel, sub-divide and convert redenominate shares</u>
	(c)	<u>subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.</u>	
	(e2)	<u>The Company may by Special Resolution, subject to the provisions of and in accordance with the Statutes, convert <u>anyone</u> class of shares into <u>any other</u> <u>another</u> class of shares.</u>	<u>Power to convert shares</u>

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6. Article 16

- ~~13~~16. (1) The Company may reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law, and subject to the provisions of the Companies Act and the Banking Act. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to ~~these Articles~~ this Constitution, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly. Power to reduce capital
- (2) The Company may, subject to and in accordance with the Companies Act and the Banking Act, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Companies Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Companies Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Companies Act and the Banking Act. Share repurchase

7. Article 22

- ~~19~~22. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates ~~and, whether the amount~~ shares are fully or partly paid up, and the amount (if any) unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class. Share certificates

8. Article 26

- ~~23~~26. Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, or shall be required to be renewed or replaced for any other reason, it may be renewed or replaced on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any Stock Exchange upon which shares in the Company may be listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out or if otherwise required by the Directors) on delivery up of the old certificate and in any case on payment of such sum not exceeding \$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed or replaced certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss. Replacement share certificates

9. Article 56

- ~~53~~56. As ~~Save as otherwise permitted under the Companies Act,~~ an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings. Annual general meeting and extraordinary general meeting

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10. Article 60

5760. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say: Routine business
- (a) declaring dividends;
 - (b) receiving and adopting the ~~accounts~~ financial statements, ~~the reports of the Directors' statement, the Auditor's report and Auditors~~ and other documents required to be attached ~~or annexed~~ to the accounts financial statements;
 - (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
 - (d) ~~appointing or re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting)~~ Auditor;
 - (e) fixing the remuneration of the ~~Auditors~~ Auditor or determining the manner in which such remuneration is to be fixed; and
 - (f) fixing the remuneration of the Directors proposed to be paid in respect of their office as such under Article 8386 and/or Article 87(1).

11. Articles 68, 69, 70 and 71

6568. (1) If required by the listing rules of any Stock Exchange upon which shares in the Company may be listed, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by such Stock Exchange). Mandatory polling
- (2) At ~~Subject to Article 68(1),~~ at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by: Method of Voting voting where mandatory polling not required
- (a) the chairman of the meeting; or
 - (b) not less than two members present in person or by proxy and entitled to vote at the meeting; or
 - (c) a member present in person or by proxy and representing not less than ~~one tenth~~ five per cent. of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) a member present in person or by proxy and holding ~~not less than 10 per cent. of the total number of paid-up shares of the Company (excluding treasury shares);~~ shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid up on all the shares conferring that right.
- Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment.

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66.	<p>A demand for a poll <u>made pursuant to this Article 68(2)</u> may be withdrawn only with the approval of the <u>meeting chairman of the meeting</u>, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll is <u>required</u> demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.</p>	Taking a poll
69.	<p>Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The chairman of the meeting may (and, if required by the listing rules of any Stock Exchange upon which shares in the Company may be listed or if so directed by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.</p>	Taking a poll
70.	<p>A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately.</p>	Timing for taking a poll
6771.	<p>In the case of an equality of votes, whether <u>on a poll</u> or on a show of hands or on a poll, the chairman of the meeting at which the poll or show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.</p>	Casting vote of chairman
68.	<p>A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.</p>	Continuance of business after demand for a poll
12.	<p>Article 72</p>	
6972.	<p>Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 811, each member entitled to vote may vote in person or by proxy. On a show of hands, every <u>Every</u> member who is present in person or by proxy shall:</p> <p>(a) <u>on a poll, have one vote for every share which he holds or represents; and</u></p> <p>(b) <u>on a show of hands, have one vote, (provided that:</u></p> <p style="margin-left: 20px;">(i) <u>in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the Chairman</u> chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands); and on a poll, every member who is present in person or by proxy shall have one vote for every share which he holds or represents.</p> <p style="margin-left: 20px;">(ii) <u>in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.</u></p>	How members may vote

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For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 4872 hours before the time of the relevant General Meeting as certified by the Depository to the Company.

13. Article 78

- | | | |
|-----------|---|---|
| 7578. (1) | <u>Save as otherwise provided in the Companies Act:</u> | Appointment of proxies |
| (1a) | <u>A member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting; Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and</u> | |
| (b) | <u>a member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.</u> | |
| (2) | <u>In any case where a</u> Provided that if <u>the member is a Depositor, the Company shall be entitled and bound:</u> | <u>Shares entered in Depository Register</u> |
| (a) | <u>to reject any instrument of proxy lodged if</u> the <u>that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 4872 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and</u> | |
| (b) | <u>to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by</u> thethat <u>Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 4872 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.</u> | |
| (23) | <u>The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.</u> | <u>Notes and instructions</u> |
| (3) | <u>In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy:</u> | <u>Proportion of shareholdings to be represented by proxies</u> |
| (4) | <u>A proxy need not be a member of the Company.</u> | <u>Proxy need not be a member</u> |

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14. Article 79

7679. (1) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and: Execution of proxies

- (a) in the case of an individual, shall be:
 - (i) signed by the appointor or his attorney if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and
- (b) in the case of a corporation, shall be:
 - (i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of **Articles 79(1)(a)(ii)** and **79(1)(b)(ii)**, designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(2) The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to **Article 7780(1)**, failing which the instrument may be treated as invalid. Witness and authority

(3) The Directors may, in their absolute discretion: Directors may approve method and manner, and designate procedure, for electronic communication

- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (b) designate the procedure for authenticating an instrument appointing a proxy,

as contemplated in **Articles 79(1)(a)(ii)** and **79(1)(b)(ii)** for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), **Article 79(1)(a)(i)** and/or (as the case may be) **Article 79(1)(b)(i)** shall apply.

15. Article 80

7780. (1) An instrument appointing a proxy: Deposit of proxies

- (a) if sent personally or by post, must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or

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(b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

and in either case, not less than 4872 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this Article 80 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(2) The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Article 80(1)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), Article 80(1)(a) shall apply.

Directors may specify means for electronic communication

16. Article 82

7982.

A vote cast by proxy shall not be invalidated by the previous death or insanitymental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided that no intimation in writing of such death, insanitymental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

Intervening death or insanitymental disorder

17. Article 97

9497.

The office of a Director shall be vacated in any of the following events, namely:

- (a) if, without the prior consent of the Directors, he becomes a director or employee of or otherwise concerned in the management, formation, registration or control except as a shareholder, of any company, corporation or firm carrying on banking business;
- (b) if he shall become prohibited by law from acting as a Director or if the Company receives a directive from the MAS to remove the Director from office; or
- (c) if he shall become disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (ed) if (not being a Director holding any executive office for a fixed term) he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or
- (de) if he shall have a bankruptcy order made against him or if he shall compoundmake any arrangement or composition with his creditors generally; or

When office of Director to be vacated

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- (ef) if he becomes ~~of unsound mind~~ mentally disordered and incapable of managing himself or his affairs or if in Singapore or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
- (fg) if he is removed by the Company in General Meeting pursuant to ~~these Articles~~ this Constitution.

18. Article 100

~~97~~100. The Company at the meeting at which a Director retires under any provision of ~~these Articles~~ this Constitution may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:

Filling vacated office

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost; or
- (b) where such Director is disqualified under the Companies Act and/or the Banking Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected; or
- (c) where such Director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (ed) where the default is due to the moving of a resolution in contravention of **Article 98; or 101**.
- (d) ~~where such Director has attained any retiring age applicable to him as Director.~~

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

19. Article 117

~~114~~117. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors. The Directors may exercise all such powers of the Company as are not by the Statutes or by ~~these Articles~~ this Constitution required to be exercised by the Company in General Meeting. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

General ~~power~~ powers of Directors to manage Company's business

APPENDIX

20. Article 126

~~123~~126. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents ~~and~~, accounts ~~and~~ financial statements relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents ~~or~~, accounts ~~or~~ financial statements are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this ~~Article 123~~126 may be made by any electronic means approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

Power to authenticate documents

21. Article 143

~~140~~143. In addition and without prejudice to the powers provided for by ~~Article 139~~142, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue;:

Power to issue free shares and/or to capitalise reserves for Directors' remuneration and employee share-based incentive plans

(a) be held by or for the benefit of non-executive Directors as part of their remuneration under ~~Article 83~~86 and/or ~~Article 87~~(1) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit; or

(b) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

22. Article 145

~~142~~145. In accordance with the provisions of the Companies Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such ~~profit and loss accounts~~financial statements, balance sheets, ~~group accounts (if any) and reports,~~ statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four months (or such other period as may be permitted by the Companies Act).

Presentation of accounts financial statements

APPENDIX

23. Article 146

- ~~143~~146. A copy of ~~every~~the financial statements and, if required, the balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto), which is duly audited and which is to be laid before the Company in General Meeting accompanied by a copy of the Auditor's report thereon, shall not less than 14 days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of ~~these Articles~~this Constitution; Provided that:
- Copies of accounts financial statements
- (a) these documents may, subject to the listing rules of any Stock Exchange upon which shares in the Company may be listed, be sent less than 14 days before the date of the meeting if all persons entitled to receive notices of meetings from the Company so agree; and
- (b) this ~~Article 143~~146 shall not require a copy of these documents to be sent to more than one ~~or~~of any joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

24. Article 149

- ~~146~~149. (1) Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- Service of notices
- (2) Without prejudice to the provisions of ~~Article 146~~149(1), but subject otherwise to the Companies Act and any regulations made thereunder and (where applicable) the listing rules of any Stock Exchange upon which shares in the Company may be listed, relating to electronic communications, any notice or document (including, without ~~limitations~~limitation, any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Companies Act or under ~~these Articles~~this Constitution by the Company, or by the Directors, to a member or an officer or Auditor of the Company may be given, sent or served using electronic communications:
- Electronic communication communications
- (a) to the current address of that person; or
- (b) by making it available on a website prescribed by the Company from time to time, in accordance with the provisions of, or as otherwise provided by, the Statutesthis Constitution, the Companies Act and/or any other applicable regulations or procedures.

APPENDIX

- (3) For the purposes of **Article 149(2)**, a member shall be deemed to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document. Implied consent
- (4) Notwithstanding **Article 149(3)**, the Directors may, at their discretion, at any time give a member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and a member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document. Deemed consent
- (5) Such notice or document shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the current address of such person or as otherwise provided under the Statutes and/or any other applicable regulations or procedures. Where a notice or document is given, sent or served by electronic communications: When notice given by electronic communications deemed served
- (a) to the current address of a person pursuant to **Article 149(2)(a)**, it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Companies Act and/or any other applicable regulations or procedures; and
- (b) by making it available on a website pursuant to **Article 149(2)(b)**, it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Companies Act and/or any other applicable regulations or procedures.
- (6) Where a notice or document is given, sent or served to a member by making it available on a website pursuant to **Article 149(2)(b)**, the Company shall give separate notice to the member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means: Notice to be given of service on website
- (a) by sending such separate notice to the member personally or through the post pursuant to **Article 149(1)**;
- (b) by sending such separate notice to the member using electronic communications to his current address pursuant to **Article 149(2)(a)**;
- (c) by way of advertisement in the daily press; and/or
- (d) by way of announcement on any Stock Exchange upon which shares in the Company may be listed.

APPENDIX

25. Article 156

~~153~~156.

Subject to the provisions of the Act and so far as may be permitted by the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company on such terms as the Board of Directors may determine from time to time against all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in the execution and discharge of his duties or in relation thereto (including his duties as a director and/or officer of any other company and/or a principal officer or country representative of a foreign office or branch of the Company which he undertakes at the request of the Company), and in particular and without prejudice to the generality of the foregoing, no Director, ~~Manager~~, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune ~~whatever whatsoever~~ which shall happen in the execution of the duties of his office or in relation thereto or any cost, charge, loss, expense and liability incurred by him in the execution or discharge of his duties as a director and/or an officer of any other company and/or a principal officer or country representative of a foreign office or branch of the Company which he undertook at the request of the Company unless the same is incurred or arises as a result of unless the same shall happen through his own fraud, negligence, wilful default, breach of duty or breach of trust.

Indemnity

APPENDIX

26. Article 158

158. (1) A member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes: Personal data of members
- (a) implementation and administration of any corporate action by the Company (or its agents or service providers);
 - (b) internal analysis and/or market research by the Company (or its agents or service providers);
 - (c) investor relations communications by the Company (or its agents or service providers);
 - (d) administration by the Company (or its agents or service providers) of that member's holding of shares in the Company;
 - (e) implementation and administration of any service provided by the Company (or its agents or service providers) to its members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
 - (f) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any General Meeting (including any adjournment thereof);
 - (g) implementation and administration of, and compliance with, any provision of this Constitution;
 - (h) compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines; and
 - (i) purposes which are reasonably related to any of the above purpose.
- (2) Any member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in **Articles 158(1)(f)** and **158(1)(h)**, and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such member's breach of warranty. Personal data of proxies and/or representatives

