

RESPONSE TO QUERIES BY SGX-ST ON ANNUAL REPORT 2015

1. SGX-ST Query

Paragraph 2.4 of the Code of Corporate Governance 2012 (the “Code”) states that the independence of any director who has served on the Board beyond nine years from the date of his first appointment should be subject to particularly rigorous review. In doing so, the Board should also take into account the need for progressive refreshing of the Board. The Board should also explain why any such director should be considered independent.

It was disclosed that Mr Henry Tan Song Kok has served as an Independent Director of the Company for more than nine years. Please elaborate on the rigorous review and the factors taken into account by the Nomination Committee in relation to their assessment that Mr Henry Tan Song Kok is independent.

Company’s Response

The Nomination Committee assesses on a continual basis the contribution and the ability of each director to exercise independent judgment on issues that come before the Board. The Nomination Committee is satisfied that Mr. Henry Tan is capable of exercising objective judgment independent of management. Mr. Henry Tan had demonstrated independent mindedness and conduct at board meetings. He continually exercises independent judgment in the best interest of the company and minority shareholders. He has also not hesitated to express his own viewpoints or seek clarification from management on issues where he deems necessary. Mr. Henry Tan has also proven that he is able to exercise objective judgment on commercial and corporate governance matters of the Company independently.

2. SGX-ST Query

Rule 1207(19) of the Listing Manual requires an issuer to disclose whether “An officer should not deal in his company’s securities on short-term considerations”.

Please make disclosures on dealings as required.

Company’s Response

In line with the recommended best practices on dealings in securities set out under Rule 1207(19) of the SGX-ST Listing Manual, Directors and employees of the Company are reminded on a quarterly basis to refrain from dealing in the Company’s securities on short-

term considerations and to abstain from dealing with the Company's securities for a period commencing two (2) weeks before the announcement of the results of the first three quarters and one (1) month before the announcement of the full-year results, and ending on the date of the announcement of the relevant results.

3. SGX-ST Query

As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.2 of the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations.

Paragraph 9.2 of the Code states that the Company should fully disclose the remuneration of each individual director and the CEO on a named basis. For administrative convenience, the Company may round off the disclosed figures to the nearest thousand dollars.

Company's Response

The remuneration of Directors is disclosed within bands as the Company believes that given the sensitive nature of remuneration, the breakdown of the individual remuneration is not advantageous to the company.

On behalf of the Board

Chew Hua Seng
Chairman and Group CEO

20 October 2015