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YANLORD

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company registration no. 200601911K)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Yanlord Land Group Limited (“Company”) will be convened and held by way of electronic means on Thursday, April 28, 2022 at 2.00 p.m. (Singapore time) to transact the following business:

ROUTINE BUSINESS

1. To receive and adopt the directors’ statement and the audited financial statements for the financial year ended December 31, 2021 together with the auditor’s report thereon. **(Resolution 1)**
2. To declare a final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 32.75 Renminbi cents) per ordinary share in respect of the financial year ended December 31, 2021. **(Resolution 2)**
3. To approve the payment of directors’ fees of S\$500,548.00 (equivalent to approximately RMB2,397,738.48) for the financial year ended December 31, 2021 (FY2020: S\$484,699.45, equivalent to approximately RMB2,425,412.43). **(Resolution 3)**
4. To re-elect the following Directors, who are retiring by rotation pursuant to Regulation 89 of the Constitution of the Company and who, being eligible, offer themselves for re-election:
 - a) Zhong Siliang **(Resolution 4a)**
 - b) Hong Pian Tee **(Resolution 4b)**
 - c) Zhong Ming **(Resolution 4c)**

(Detailed information of these Directors can be found under the sections of “Board of Directors”, “Directors’ Statement” and “Additional Information on Directors Seeking Re-election” in the Company’s Annual Report for the financial year ended December 31, 2021 (“Annual Report 2021”).)

5. To re-elect the following Directors, who will cease to hold office pursuant to Regulation 88 of the Constitution of the Company and who, being eligible, offer themselves for re-election:
 - a) Chua Taik Him **(Resolution 5a)**
 - b) Tan Chin Siong **(Resolution 5b)**

(Detailed information of these Directors can be found under the sections of the “Board of Directors”, “Directors’ Statement” and “Additional Information on Directors Seeking Re-election” in the Annual Report 2021.)

6. To re-appoint Messrs Deloitte & Touche LLP, Singapore as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without any amendments, the following resolutions as Ordinary Resolutions:

7. That authority be and is hereby given to the Directors to: **(Resolution 7)**
 - (a) (i) allot and issue shares of the Company (“Shares”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (each, an “Instrument” and collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

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

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (“SGX-ST”)) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding any treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
- (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
- (ii) any subsequent bonus issue or consolidation or subdivision of Shares;

and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning ascribed to it in the Listing Manual of the SGX-ST;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Companies Act 1967 of Singapore (“Act”), the Listing Manual of the SGX-ST and the rules of any other stock exchange on which the Shares may for the time being be listed and quoted (“Other Exchange”) for the time being in force (unless such compliance has been waived by the SGX-ST or, as the case may be, Other Exchange) and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

8. That:

(Resolution 8)

- (1) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of all the powers of the Company to purchase or acquire issued and fully paid-up Shares not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
- (a) market purchase(s) on the SGX-ST and/or Other Exchange (“Market Purchase”); and/or
- (b) off-market purchase(s), if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange, in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit in the interest of the Company, which scheme(s) shall satisfy all the terms and conditions that are consistent with the Act, the Listing Manual of the SGX-ST or, as the case may be, rules of Other Exchange, the Code of Corporate Governance 2018 and the Constitution for the time being of the Company (“Off-Market Purchase”),

and otherwise in accordance with all other laws, regulations and rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (“Share Buyback Mandate”);

(2) unless varied or revoked by the shareholders at a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of the date on which:

- (a) the next AGM of the Company is held;
- (b) the next AGM of the Company is required by law to be held; or
- (c) the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

(3) In this Resolution:

“Maximum Percentage” means that number of issued Shares representing not more than 10% of the total number of issued and fully paid-up Shares (excluding any treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)) as at date of the passing of this Resolution;

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares;

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer(s) pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the day on which the Market Purchase or, as the case may be, the offer(s) pursuant to the Off-Market Purchase are made; and

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of the Shares from shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

(4) each and any Directors and/or secretary of the Company be and are/is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

NOTICE OF RECORD AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of shareholders at the AGM of the Company to be held on April 28, 2022 ("2022 AGM") for the final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 32.75 Renminbi cents) per ordinary share in respect of the financial year ended December 31, 2021 ("Proposed Dividend"), the Share Transfer Books and Register of Members of the Company will be closed after 5.00 p.m. on May 19, 2022 up to (and including) May 20, 2022, for the preparation of dividend warrants.

Duly completed registrable transfers in respect of ordinary shares of the Company received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, up to 5.00 p.m. on May 19, 2022 ("Record Date and Time") will be registered to determine shareholders' entitlements to the Proposed Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at Record Date and Time will rank for the Proposed Dividend.

The Proposed Dividend, if approved by shareholders at the 2022 AGM, will be paid on June 6, 2022.

BY ORDER OF THE BOARD

Sau Ean Nee
Company Secretary

April 6, 2022
Singapore

Explanatory Notes:

- (i) Resolution 3, if passed, the payment of such directors' fees will be made to the independent non-executive directors. The framework for determining the fees of independent non-executive directors for the financial year ended December 31, 2021 remains unchanged from the framework for the financial year ended December 31, 2020. Additional information on the framework and directors' fees can be found under the section of "Corporate Governance" in the Annual Report 2021.
- (ii) Resolution 4b: Hong Pian Tee who is an independent non-executive director will, upon re-election as a Director, continue to serve as Chairman of Audit Committee, a member of Remuneration Committee and a member of Risk Management and Sustainability Committee.
- (iii) Resolution 5a: Chua Taik Him who is an independent non-executive director will, upon re-election as a Director, continue to serve as Chairman of Risk Management and Sustainability Committee, a member of Audit Committee and a member of Remuneration Committee.
- (iv) Resolution 5b: Tan Chin Siong who is an independent non-executive director will, upon re-election as a Director, continue to serve as Chairman of Nominating Committee, a member of Audit Committee and a member of Remuneration Committee.
- (v) Resolution 7, if passed, will empower the Directors from the date of the 2022 AGM until the date of next AGM of the Company (unless such authority is previously revoked or varied at a general meeting), to issue Shares and/or to make or grant Instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such Instruments, up to a number not exceeding in total 50% of the total number issued Shares (excluding any treasury shares and subsidiary holdings) with a sub-limit of 20% for issues other than on a *pro-rata* basis to shareholders (calculated as described above).
- (vi) Resolution 8 relates to the renewal of the Share Buyback Mandate which was last approved by shareholders on April 29, 2021. Please refer to the appendix to this Notice of AGM on the proposed renewal of the Share Buyback Mandate, for details.

Important Notes:

To help keep physical interactions and COVID-19 transmission risks to a minimum, the 2022 AGM will be conducted by electronic means in place of a physical meeting and members will not be able to attend the 2022 AGM in person. Instead, members may participate in the 2022 AGM by watching and/or listening to the proceedings of the 2022 AGM through live audio-visual webcast or live audio-only stream.

Members should take note of the following arrangements for the 2022 AGM and follow the relevant procedures and/or instructions:

(i) Registration for Participation at the 2022 AGM Electronically

Members who are entitled to attend, speak and vote at the 2022 AGM, as well as CPF and SRS investors, and who wish to participate in the 2022 AGM electronically, must register online via the pre-registration website at go.lumiengage.com/yanlordagm2022 **by April 25, 2022 no later than 2.00 p.m.** to enable the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., to verify your member status. You will have to provide your personal information including full name, identification no., shareholding type(s) and contact details for purposes of verification, recordings and/or disclosure at the webcast, in the Minutes of the 2022 AGM and/or publication on the Company's website as well as the Singapore Exchange's website (as appropriate).

Following verification, authenticated members (including CPF and SRS investors) will receive an email containing (i) the unique login credentials and the steps on how to access the live audio-visual webcast of the 2022 AGM proceedings, and (ii) the live audio-only dial-in numbers to listen to the 2022 AGM proceedings. Members must not forward such email and information therein to any other person. Recording of the 2022 AGM proceedings in whatever form is also strictly prohibited. Members (including CPF and SRS investors) who have registered in accordance with the instructions within the timeline as set out in above paragraph but do not receive an email response by 2.00 p.m. on April 27, 2022 should contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., via email at bcasmeetings@boardroomlimited.com.

If members hold shares through Relevant Intermediaries (as defined in Section 181 of the Act) and wish to participate in the 2022 AGM electronically, you should contact the Relevant Intermediaries through which you hold such shares to submit your interest.

(ii) Proxy Voting on Resolutions to be Passed at the 2022 AGM

Members who wish to vote on all or any of the resolutions to be proposed at the 2022 AGM ("Resolutions") must submit a proxy form to appoint only the Chairman of the 2022 AGM as your proxy to cast votes on your behalf. The proxy form, duly completed and signed/executed in accordance with the instructions on the proxy form, must be submitted (i) via email to AGM@yanlord.com.sg; or (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, in either case, not less than 72 hours before the time fixed for holding the 2022 AGM, i.e. **by April 25, 2022 no later than 2.00 p.m.**

CPF and SRS investors who wish to vote on all or any of the Resolutions should approach your respective CPF Agent Banks or SRS Operators **at least seven (7) working days before the 2022 AGM** to appoint the Chairman of the 2022 AGM as proxy and submit your votes accordingly. Any person who holds shares through Relevant Intermediaries and who wishes to vote on all or any of the Resolutions should approach the Relevant Intermediaries through which you hold such shares as soon as possible.

Members should specifically direct the Chairman of the 2022 AGM on how you wish to vote for or against (or abstain from voting on) the Resolutions.

Please note that no real-time remote electronic voting system will be provided at the 2022 AGM and members will not be able to vote through electronic means. Proxy form can be found in the Annual Report 2021 which is published on the Company's website at yanlord.listedcompany.com/ar.html and the Singapore Exchange's website at www.sgx.com/securities/annual-reports-related-documents. The proxy form can also be downloaded via the pre-registration website at go.lumiengage.com/yanlordagm2022.

(iii) Submission of Questions

Members are allowed to submit your questions related to the Resolutions, if any, to the Company **by April 18, 2022 no later than 2.00 p.m.** (i) via email to AGM@yanlord.com.sg; (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or (iii) when you register online via pre-registration website at go.lumiengage.com/yanlordagm2022.

Any response to substantial and relevant questions received within the above prescribed timeline will be published by the Company on the Singapore Exchange's website at www.sgx.com/securities/company-announcements and the Company's website at yanlord.listedcompany.com/newsroom.html **by April 22, 2022 no later than 2.00 p.m.** Any subsequent clarifications sought, or follow-up questions in respect of substantial and relevant matters may be addressed at the 2022 AGM.

Please note that no real-time electronic communication facilities will be provided at the 2022 AGM and members will not be able to ask questions through the live audio-visual webcast or the live audio-only stream during the 2022 AGM.

(iv) Access to Documents or Information Relating to Business of the 2022 AGM

Documents relating to the business of the 2022 AGM including (i) the Annual Report 2021 containing this Notice of AGM and accompanying section of "Additional Information on Directors Seeking Re-election" as well as proxy form and (ii) appendix to this Notice of AGM, containing a letter to shareholders dated April 6, 2022 in relation to the proposed renewal of Share Buyback Mandate ("Appendix") are made available on the Company's website at yanlord.listedcompany.com/ar.html, which may also be accessible via the Singapore Exchange's website at www.sgx.com/securities/annual-reports-related-documents. You will need an internet browser and PDF reader to view and/or download these documents.

Like many other organisations, the Company has been working diligently towards conservation and preservation of natural resources for environmental sustainability. In line with this ongoing commitment, printed copies of documents relating to the business of the 2022 AGM will not be sent to the members. Members who wish to receive a printed copy of the Annual Report 2021 and/or the Appendix, may send in your request to the Company by completing and returning the request form appended in the Annual Report 2021 (i) by post to the Company's registered office at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989; or (ii) via email to contact@yanlord.com.sg.

Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the 2022 AGM at short notice. Members are advised to regularly check the Company's corporate website at yanlord.listedcompany.com/newsroom.html and/or any announcement to be released by the Company to the Singapore Exchange's website at www.sgx.com/securities/company-announcements for updates on the 2022 AGM.

PERSONAL DATA PRIVACY:

By registering and/or participating in the 2022 AGM and/or any adjournment thereof via electronic means, submitting an instrument appointing the Chairman of the 2022 AGM as proxy to vote at the 2022 AGM and/or any adjournment thereof, and/or submitting questions related to the Resolutions, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the verification, processing and/or administration by the Company (or its agents or service providers) of participants in the 2022 AGM, proxy appointed for the 2022 AGM, votes cast at the 2022 AGM and/or questions related to the Resolutions (including any adjournment thereof) and the preparation, compilation and/or sending of the details and/or manner to participate the 2022 AGM by electronic means, votes cast by members, responses to questions, attendance lists, minutes and other documents relating to the 2022 AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules of the Singapore stock exchange, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's representative(s) and/or third parties to the Company (or its agents or service providers), the member has obtained the prior consent of such representative(s) and/or third parties for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such representative(s) and/or third parties for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



仁恒
YANLORD

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200601911K)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING
DATED 6 APRIL 2022**

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

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DEFINITIONS

In this Appendix, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“Act”	:	Companies Act 1967 of Singapore, as amended, modified and/or supplemented from time to time
“AGM”	:	Annual General Meeting of the Company
“Appendix”	:	This appendix to the Notice of 2022 AGM, containing a letter to Shareholders dated 6 April 2022 in relation to the proposed renewal of the Share Buyback Mandate
“CDP”	:	The Central Depository (Pte) Limited
“close relatives”	:	Has the meaning ascribed to it in the Code
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended, modified and/or supplemented from time to time
“Constitution”	:	The Constitution of the Company, as amended, modified and/or supplemented from time to time
“Company”	:	Yanlord Land Group Limited
“Controlling Shareholder”	:	Has the meaning ascribed to it in the Listing Manual
“Directors”	:	The directors of the Company
“Group”	:	The Company and together with its subsidiaries
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Appendix, being 10 March 2022
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended, modified and/or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Notice of 2022 AGM”	:	The notice of AGM dated 6 April 2022, convening the 2022 AGM
“SFA”	:	Securities and Futures Act 2001 of Singapore, as amended, modified and/or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Buyback Mandate”	:	The share buyback mandate to authorise the Company to purchase or otherwise acquire the issued and paid-up ordinary shares of the Company
“Shares”	:	Ordinary shares of the Company
“Shareholders”	:	Registered holders for the time being of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register
“subsidiary holdings”	:	Has the meaning ascribed to it in the Listing Manual
“Substantial Shareholders”	:	Persons who each has an interest or interests in one or more voting shares in the Company and 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 Company
“2022 AGM”	:	AGM scheduled to be held on 28 April 2022

DEFINITIONS

Currencies, Units and Others

“RMB” and “cents”	:	Renminbi and cents respectively, the lawful currency of the People’s Republic of China
“S\$”	:	Singapore dollars, the lawful currency of Singapore
“US\$”	:	United States dollars, the lawful currency of the United States of America
“%”	:	Per centum or percentage

Depositors and Depository Register. The terms “**depositor**” and “**depository register**” shall have the meanings ascribed to them respectively in the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa, and words importing persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Listing Manual, the Code, the SFA or any statutory modification thereof and used in this Appendix shall, where applicable, have the same meaning ascribed to it under the said Act, the Listing Manual, the Code, the SFA, or any modification thereof, as the case may be, unless the context otherwise requires.

The Company maintains its accounts in S\$ but publishes its financial statements in RMB. This Appendix contains conversion of certain S\$ amounts into RMB (or vice versa) at specified rate solely for the convenience of the Shareholders. Unless otherwise indicated, the financial figures in this Appendix are calculated on the basis of S\$1:RMB4.6431 as at the Latest Practicable Date.

Any reference to a time of day and date in this Appendix shall be a reference to Singapore time and date, respectively, unless otherwise stated.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any discrepancies in figures in this Appendix between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be the arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200601911K)

The SGX-ST assumes no responsibility for the accuracy of any statements made, or opinions expressed, or reports contained in this Appendix.

Directors:

Zhong Sheng Jian (Chairman and Chief Executive Officer)
Zhong Siliang (Executive Director)
Zhong Ming (Executive Director)
Zhong Iek Ka (Executive Director)
Hee Theng Fong (Lead Independent Director)
Hong Pian Tee (Independent Non-Executive Director)
Teo Ser Luck (Independent Non-Executive Director)
Chua Taik Him (Independent Non-Executive Director)
Tan Chin Siong (Independent Non-Executive Director)

Registered Office:

9 Temasek Boulevard
#36-02 Suntec Tower Two
Singapore 038989

6 April 2022

Dear Shareholders

THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

1. INTRODUCTION

The Directors refer to the Notice of 2022 AGM and Resolution 8 of the Notice of 2022 AGM, an Ordinary Resolution relating to the proposed renewal of the Share Buyback Mandate to be put forward at the 2022 AGM ("**Resolution 8**").

The purpose of this Appendix is to provide Shareholders with information relating to Resolution 8, including the reasons of seeking approval from the Shareholders for the proposed renewal of the Share Buyback Mandate.

2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 Background

The Shareholders approved and renewed the Share Buyback Mandate at the previous AGM held on 29 April 2021 ("**2021 AGM**"). The rationale for, the authority and limits on, and the financial effects of, the Share Buyback Mandate were set out in the appendix to the notice of 2021 AGM, containing a letter to Shareholders dated 25 March 2021 and Ordinary Resolution 8 set out in the notice of the 2021 AGM. The authority conferred pursuant to the Share Buyback Mandate approved at the 2021 AGM was expressed to continue in force until the date on which (i) the next AGM is held or required by law to be held, (ii) share buybacks pursuant to the Share Buyback Mandate have been carried out to the full extent mandated, or (iii) the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders at a general meeting, whichever is earlier. Accordingly, the Share Buyback Mandate would be lapsed on the date of 2022 AGM.

It is a requirement that a company which wishes to purchase or acquire its own shares should obtain approval of its shareholders at a general meeting. Accordingly, approval is being sought from Shareholders at the 2022 AGM for, *inter alia*, the renewal of the Share Buyback Mandate and to authorise the Directors to buy back or acquire Shares up to the maximum number of Shares set out in Section 2.3.1.

Any purchases or acquisitions of Shares by the Company would have to be made subject to the Constitution, Sections 76B to 76G of the Act, the Listing Manual and the Code.

LETTER TO SHAREHOLDERS

If approved by Shareholders at the 2022 AGM, the authority conferred by the Share Buyback Mandate will continue to be in force until the date on which (i) the next AGM is held or required by law to be held (whereupon it will lapse, unless renewed at such meeting), (ii) share buybacks pursuant to the Share Buyback Mandate have been carried out to the full extent mandated, or (iii) the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders at a general meeting, whichever is earlier.

2.2 Rationale for the proposed renewal of the Share Buyback Mandate

The Share Buyback Mandate would give the Company flexibility to purchase the Shares at any time, as and when circumstances permit, during the period that the Share Buyback Mandate is in force.

The Share Buyback Mandate provides the Company and Directors with a simple mechanism to facilitate the return of surplus cash over and above its capital requirements in an expedient and cost-effective manner. The Share Buyback Mandate also allows the Directors to exercise a certain amount of control over the Company's share capital structure with a view to enhance the earnings per share of the Company.

As and when circumstances permit, the Directors will decide whether to effect the Shares purchase or acquisition via Market Purchases (as defined below) and/or Off-Market Purchases (as defined below), after taking into account the relevant factors such as the working capital requirements, the financial resources available, the expansion and investment plans of Group, the prevailing market conditions, and etc. Such purchase or acquisition will only be made when the Directors are of the view that it is in the interest of the Company and could benefit Shareholders and that the Directors do not propose to carry out buybacks to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group.

2.3 Authority and Limits on the Share Buyback Mandate

The authority and limits placed on purchases or acquisitions of Shares under the Share Buyback Mandate, if renewed at the 2022 AGM, are substantially the same as were previously approved by Shareholders at the 2021 AGM, details are set out as follows:

2.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The maximum number of Shares which may be purchased or acquired by the Company pursuant to the Share Buyback Mandate and in accordance with the requirements of the Listing Manual, is limited to that number of issued Shares representing not more than 10% of the issued and fully paid-up Shares as at the date on which the Resolution 8 is passed, being the date of the 2022 AGM. Any treasury shares and subsidiary holdings will be disregarded for purposes of computing the 10% limit. As at the Latest Practicable Date, 17,201,100 Shares were held in treasury and no Share was held as subsidiary holdings.

For illustration purposes only, on the basis of 1,931,535,376 issued and fully paid-up Shares (excluding the 17,201,100 treasury shares) as at the Latest Practicable Date, and assuming no further Shares are issued or repurchased and held in treasury or being cancelled and no Share is held as subsidiary holdings, on or prior to the 2022 AGM, not more than 193,153,537 Shares (representing not more than 10% of the total issued and fully paid-up Shares excluding the 17,201,100 treasury shares as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate, if renewed at the 2022 AGM.

2.3.2 Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2022 AGM, at which the Resolution 8 is passed, up to the date on which:

- (a) the next AGM is held or required by law to be held;
- (b) share buybacks pursuant to the Share Buyback Mandate have been carried out to the full extent mandated; or

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- (c) the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders at a general meeting,

whichever is earlier.

2.3.3 Manner of purchase or acquisition of Shares

Purchases or acquisitions of Shares can be effected by the Company by way of:

- (a) on-market purchase(s) (“**Market Purchases**”); transacted on the SGX-ST through the SGX-ST’s trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted (“Other Exchange”), through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchase(s), if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange, made in accordance with an equal access scheme as defined in the Act (“**Off-Market Purchases**”).

The Directors may impose such terms and conditions which are consistent with the Share Buyback Mandate, the Listing Manual, the Act, the Code, the Constitution and/or rules of Other Exchange as they consider fit in the interests of the Company 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 Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of the abovementioned persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same, except that the following shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and
 - (c) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase, the Company must, as required by the Listing Manual, issue an offer document containing at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share(s) purchase(s) or acquisition(s);
- (iv) the consequences, if any, of the Share(s) purchase(s) or acquisition(s) by the Company that will arise under the Code or other applicable takeover rules;
- (v) whether the Share(s) purchase(s) or acquisition(s), if made, could affect the listing of the equity securities of the Company on the SGX-ST;

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- (vi) details of any Share purchase or acquisition by the Company in the previous 12 months (whether via Market Purchase(s) or Off-Market Purchase(s)), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchase(s) or acquisition(s), where relevant, and the total consideration paid for the purchase(s) or acquisition(s); and
- (vii) whether the Share(s) purchased or acquired by the Company will be cancelled or held in treasury.

2.3.4 Maximum Purchase Price

The purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the 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 Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares

(in each case, “**Maximum Price**”).

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, immediately preceding the date of the Market Purchases by the Company or, as the case may be, the date of the making of the offer(s) pursuant to the Off-Market Purchases, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs during the relevant five-day period and the day on which the Market Purchases or, as the case may be, the offer(s) pursuant to the Off-Market Purchases are made; and

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of the Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchases.

2.4 Status of purchased or acquired Shares under the Share Buyback Mandate

Any Shares purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition. On the cancellation of a Share, the rights and privileges attached to that Share expire. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and are not held in treasury.

2.5 Treasury shares

Shares purchased or acquired by the Company may be held or dealt with as treasury shares under the Act.

2.5.1 Disposal and cancellation

Where Shares are held in treasury, the Company may at any time (but subject always to the Code):

- (a) sell the treasury shares (or any of them) for cash;
- (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for its employees, Directors or other persons;
- (c) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;

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- (d) cancel the treasury shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

The Company is required to make an immediate announcement on any sale, transfer, cancellation and/or use of treasury shares under the Listing Manual. Such announcement must state details, including date of the sale, transfer, cancellation and/or use of such treasury shares; purpose of such sale, transfer, cancellation and/or use of such treasury shares; number of treasury shares sold, transferred, cancelled and/or used; number of treasury shares before and after such sale, transfer, cancellation and/or use; percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.5.2 Maximum holdings

The maximum number of treasury shares which may be held by the Company is as follows:

- (a) where the Company has shares of only one class, the aggregate number of shares held in treasury shall not at any time exceed 10% of the total number of shares of the Company at that time; or
- (b) where the Company's share capital is divided into shares of different classes, the aggregate number of the shares of any class held in treasury shall not at any time exceed 10% of the total number of the shares in that class at that time.

In the event that the Company exceeds the stated thresholds, the Company shall dispose of or cancel these excess shares before the end of the period of six months beginning with the day on which the Company exceeds the stated thresholds or such further period as the Registrar of Companies may allow.

2.5.3 Voting and other rights

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

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

2.6 Source of funds

The Act provides that any share buyback may be made out of the Company's capital or profits so long as the Company is solvent. The Company intends to use internal sources of funds, any appropriate external borrowings and/or funds from any new issues of equity to finance its purchase or acquisition of the Shares. The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such extent that the liquidity and capital position of the Group and/or the orderly trading of the Shares would be materially adversely affected.

2.7 Financial impact of the share buyback

The financial effects on the Group and the Company arising from its purchase or acquisition of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, whether the Shares purchased or acquired is a Market Purchase or an Off-Market Purchase, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

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2.7.1 Purchase or acquisition made out of capital and/or profits

Where the consideration paid by the Company for the purchases or acquisitions of Shares is made out of capital, such consideration will not affect the amount available for distribution in the form of cash dividends by the Company.

Where the consideration paid by the Company for the purchases or acquisitions of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution in the form of cash dividends by the Company.

2.7.2 Number of Shares purchased or acquired

For illustrative purposes only, on the basis of 1,931,535,376 issued and fully paid-up Shares (excluding the 17,201,100 treasury shares) as at the Latest Practicable Date, and assuming no further Shares are issued or repurchased and held in treasury and no Share is held as subsidiary holdings, on or prior to the 2022 AGM, the exercise to full extent of the Share Buyback Mandate would result in the purchase or acquisition of 193,153,537 Shares (assuming the 17,201,100 treasury shares are cancelled during the year).

2.7.3 Maximum Price paid for Shares purchased or acquired

For illustrative purposes only, in the case of a Market Purchase by the Company and assuming that the Company purchases or acquires 193,153,537 Shares at the Maximum Price of S\$1.24 per Share (being the price equivalent to approximately 105% of the Average Closing Price immediately preceding the Latest Practicable Date), the maximum amount of funds required is approximately RMB 1,112,070,673 (equivalent to approximately S\$239,510,386) (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses for purposes of this illustration).

For illustrative purposes only, in the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 193,153,537 Shares at the Maximum Price of S\$1.42 per Share (being the price equivalent to approximately 120% of the Average Closing Price immediately preceding the Latest Practicable Date), the maximum amount of funds required is approximately RMB1,273,500,289 (equivalent to approximately S\$274,278,023) (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses for purposes of this illustration).

For illustrative purposes only, on the basis of the assumptions set out above, and based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2021 as if the proposed Share Buyback Mandate and such purchase or acquisition of Shares had been effective on 1 January 2021, the financial effects of the purchase or acquisition of such Shares by the Company are set out as follows:

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(a) Market Purchases of up to 10% of the issued and fully paid-up Shares made entirely out of capital and held in treasury

	GROUP		COMPANY	
	Before Market Purchase RMB'000	After Market Purchase RMB'000	Before Market Purchase RMB'000	After Market Purchase RMB'000
As at 31 December 2021				
Shareholders' Equity	34,275,680	33,163,609	7,061,917	5,949,846
Net Asset Value ("NAV")	34,275,680	33,163,609	7,061,917	5,949,846
Current Assets	90,960,194	89,848,123	4,098	4,098
Current Liabilities	71,222,498	71,222,498	11,693,544	12,805,615
Total Borrowings	43,041,141	43,041,141	–	–
Cash and Cash Equivalents	21,551,718	20,439,647	4,098	4,098
Treasury Shares ('000)	17,201	193,153 ⁽¹⁾	17,201	193,153 ⁽¹⁾
Number of Shares ⁽²⁾ ('000)	1,931,535	1,738,382	1,931,535	1,738,382
Financial Ratios				
NAV per Share ⁽³⁾ (cents)	1,775	1,908	366	342
Earnings per Share ("EPS") ⁽⁴⁾ (cents)	137.51	152.79	32.46	36.06
Gearing ⁽⁵⁾ (times)	1.26	1.30	–	–
Current Ratio ⁽⁶⁾ (times)	1.28	1.26	–	–

(b) Off-Market Purchases of up to 10% of the issued and fully paid-up Shares made entirely out of capital and held in treasury

	GROUP		COMPANY	
	Before Off-Market Purchase RMB'000	After Off-Market Purchase RMB'000	Before Off-Market Purchase RMB'000	After Off-Market Purchase RMB'000
As at 31 December 2021				
Shareholders' Equity	34,275,680	33,002,180	7,061,917	5,788,417
NAV	34,275,680	33,002,180	7,061,917	5,788,417
Current Assets	90,960,194	89,686,694	4,098	4,098
Current Liabilities	71,222,498	71,222,498	11,693,544	12,967,044
Total Borrowings	43,041,141	43,041,141	–	–
Cash and Cash Equivalents	21,551,718	20,278,218	4,098	4,098
Treasury Shares ('000)	17,201	193,153 ⁽¹⁾	17,201	193,153 ⁽¹⁾
Number of Shares ⁽²⁾ ('000)	1,931,535	1,738,382	1,931,535	1,738,382
Financial Ratios				
NAV per Share ⁽³⁾ (cents)	1,775	1,898	366	333
EPS ⁽⁴⁾ (cents)	137.51	152.79	32.46	36.06
Gearing ⁽⁵⁾ (times)	1.26	1.30	–	–
Current Ratio ⁽⁶⁾ (times)	1.28	1.26	–	–

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- (c) Market Purchases of up to 10% of the issued and fully paid-up Shares made entirely out of capital and cancelled

	GROUP		COMPANY	
	Before Market Purchase RMB'000	After Market Purchase RMB'000	Before Market Purchase RMB'000	After Market Purchase RMB'000
As at 31 December 2021				
Shareholders' Equity	34,275,680	33,163,609	7,061,917	5,949,846
NAV	34,275,680	33,163,609	7,061,917	5,949,846
Current Assets	90,960,194	89,848,123	4,098	4,098
Current Liabilities	71,222,498	71,222,498	11,693,544	12,805,615
Total Borrowings	43,041,141	43,041,141	–	–
Cash and Cash Equivalents	21,551,718	20,439,647	4,098	4,098
Number of Shares ⁽²⁾ ('000)	1,931,535	1,738,382	1,931,535	1,738,382
Financial Ratios				
NAV per Share ⁽³⁾ (cents)	1,775	1,908	366	342
EPS ⁽⁴⁾ (cents)	137.51	152.79	32.46	36.06
Gearing ⁽⁵⁾ (times)	1.26	1.30	–	–
Current Ratio ⁽⁶⁾ (times)	1.28	1.26	–	–

- (d) Off-Market Purchases of up to 10% of the issued and fully paid-up Shares made entirely out of capital and cancelled

	GROUP		COMPANY	
	Before Off-Market Purchase RMB'000	After Off-Market Purchase RMB'000	Before Off-Market Purchase RMB'000	After Off-Market Purchase RMB'000
As at 31 December 2021				
Shareholders' Equity	34,275,680	33,002,180	7,061,917	5,788,417
NAV	34,275,680	33,002,180	7,061,917	5,788,417
Current Assets	90,960,194	89,686,694	4,098	4,098
Current Liabilities	71,222,498	71,222,498	11,693,544	12,967,044
Total Borrowings	43,041,141	43,041,141	–	–
Cash and Cash Equivalents	21,551,718	20,278,218	4,098	4,098
Number of Shares ⁽²⁾ ('000)	1,931,535	1,738,382	1,931,535	1,738,382
Financial Ratios				
NAV per Share ⁽³⁾ (cents)	1,775	1,898	366	333
EPS ⁽⁴⁾ (cents)	137.51	152.79	32.46	36.06
Gearing ⁽⁵⁾ (times)	1.26	1.30	–	–
Current Ratio ⁽⁶⁾ (times)	1.28	1.26	–	–

Notes:

- ⁽¹⁾ Assuming that 17,201,100 Shares held in treasury are cancelled during the financial year in question.
- ⁽²⁾ Number of Shares represents issued and fully paid-up Shares (excluding treasury shares, cancelled shares and subsidiary holdings, as applicable) as at the Latest Practicable Date.
- ⁽³⁾ NAV per Share equals to NAV divided by the number of Shares (excluding treasury shares, cancelled shares and subsidiary holdings, as applicable).
- ⁽⁴⁾ EPS equals to profit attributable to Shareholders divided by the weighted average number of Shares. For the purpose of illustrative EPS calculation, the weighted average number of Shares are derived from the total number of Shares of 1,931,535,376 as at 1 January 2021 after excluding (i) 193,153,537 Shares to be purchased or acquired pursuant to the proposed Share Buyback Mandate; (ii) no treasury share was purchased during financial year 2021; and (iii) no treasury share was purchased from 1 January 2022 and credited as at the Latest Practicable Date should the above-mentioned been effective on 1 January 2021.
- ⁽⁵⁾ Gearing equals to total borrowings divided by Shareholders' equity.
- ⁽⁶⁾ Current ratio equals current assets divided by current liabilities.

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Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, Shareholders are to note that the financial analyses set out above are based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2021 and is not necessarily representative of future financial performance of the Group and the Company. Although the Share Buyback Mandate would authorise the Company to buy back Shares up to 10% of the issued and fully paid-up share capital of the Company (excluding treasury shares and subsidiary holdings), the Company may not necessarily buy back or be able to buy back the issued Shares pursuant to the Share Buyback Mandate to the full extent mandated. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

The Directors do not propose to exercise the Share Buyback Mandate to an extent that would materially and adversely affect the liquidity and capital position of the Group and/or orderly trading of the Shares. The purchases or acquisitions of Shares will only be made after considering relevant factors such as the working capital requirements, availability of financial resources, the expansion and investment plans of the Group, the prevailing market conditions, and etc. The proposed Share Buyback Mandate will only be exercised in the best interests of the Company, for example, to enhance the EPS of the Company.

2.8 Listing Rules

2.8.1 Reporting requirements

The Listing Manual specifies that a listed company shall notify the SGX-ST of any share buyback as follows:

- (a) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchased or acquired any of its shares; and
- (b) in the case of an Off-Market Purchase, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

The notification of such share buybacks to the SGX-ST shall be in such form and shall include such details as the SGX-ST may prescribe, such as the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid per Share, as applicable.

The Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced, in line with its securities dealing policy. Further, in conformity with the requirements of the Listing Manual, the Company, Directors and key employees will not purchase or acquire any Shares during the period commencing one month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), or two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise).

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2.8.2 Listing Manual

The Listing Manual requires the Company to ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed are at all times held by the public. The “**public**”, as defined in the Listing Manual, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company or its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, approximately 26% of the total number of issued Shares (excluding treasury shares) are held by the public. Assuming that the Company repurchased the maximum of 10% of its issued and fully paid-up share capital as at the Latest Practicable Date from members of the public, the resultant percentage of the total number of issued Shares (excluding treasury shares) held by the public would be approximately 17%.

The Directors will use their best efforts to ensure that the requirements of the Listing Manual are complied with and that the orderly trading of Shares would not be adversely affected should the Company effect buybacks of Shares under this Mandate.

2.9 Tax implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of share purchases or acquisitions by the Company or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.10 Implications of the Code

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

2.10.1 Obligation to make a take-over offer

Pursuant to Appendix 2 of the Code, when a company buys back its shares, any resulting increase in the percentage of voting rights held by a shareholder and persons acting in concert with him will be treated as an acquisition for the purposes of Rule 14 of the Code. If such increase results in the change of effective control, or as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the company under Rule 14 of the Code.

Under the 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 following persons, *inter alia*, will be presumed to be persons acting in concert with each other:

- (a) a company with its parent, subsidiaries, fellow subsidiaries, any associated company of the aforesaid companies, any company whose associated companies include any of the aforesaid companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid companies for the purchase of voting rights;
- (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);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

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- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts as well as companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual and his/her close relatives, related trusts, any person who is accustomed to act in accordance with his/her instructions, companies controlled by any of the aforesaid persons or trusts and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid persons, trusts or companies for the purchase of voting rights.

For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company. The circumstances under which Shareholders (including Directors) and persons acting in concert with any of them, will incur an obligation to make a take-over offer under Rule 14 of the Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Code.

2.10.2 Effect of Rule 14 and Appendix 2 of the Code

The effect of Rule 14 of the Code is that, unless exempted, the Directors and persons acting in concert with each of them will incur an obligation to make a take-over offer for the Company under Rule 14 of the Code if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and persons acting in concert with them, shares held in treasury shall be excluded.

A Shareholder, who is not acting in concert with the Directors, will not be required to make a take-over offer under Rule 14 of the Code if, as a result of the Company purchasing Shares, the voting rights of the Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting on resolution authorising the Share Buyback Mandate at the AGM.

As at the Latest Practicable Date, Yanlord Holdings Pte. Ltd. and persons presumed to be acting in concert with it under the Code have an aggregate shareholding interest in 1,382,072,000 Shares, representing approximately 71.553% of the issued Shares, details are set out in paragraph 3 below. Yanlord Holdings Pte. Ltd. and persons presumed to be acting in concert with it collectively hold more than 50% of the issued Shares, in the event the Company purchases the maximum number of Shares permissible under the Share Buyback Mandate, will not require a general offer to be made under Rule 14 of the Code.

Save as disclosed above, each of the Directors has confirmed that he is not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholders are, or may be regarded as parties acting in concert such that his/her respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Code would ensue as a result of a share buyback pursuant to the Share Buyback Mandate.

The statements in this Appendix do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Code. Shareholders are advised to consult their professional advisers and/or the Securities Industry Council and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases or acquisitions by the Company.

2.11 No Share buybacks in the previous 12 months

The Company had not made any share buybacks in the 12 months preceding the Latest Practicable Date.

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3. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS AS STATED IN THE REGISTER OF DIRECTORS' INTERESTS AND REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT THE LATEST PRACTICABLE DATE

	Before Share Buyback (No. of Shares)			Before Share Buyback	After Share Buyback
	Direct Interest	Deemed Interest	Total Interest	%(⁵)	%(⁶)
DIRECTORS					
Zhong Sheng Jian ⁽¹⁾	103,682,000	1,278,390,000	1,382,072,000	71.553	79.503
Zhong Siliang ⁽²⁾	320,000	30,095,000	30,415,000	1.575	1.750
Zhong Ming	–	–	–	–	–
Zhong Iek Ka	–	–	–	–	–
Hee Theng Fong ⁽³⁾	–	–	–	–	–
Hong Pian Tee ⁽⁴⁾	614,500	224,000	838,500	0.043	0.048
Teo Ser Luck	–	–	–	–	–
Chua Taik Him	–	–	–	–	–
Tan Chin Siong	–	–	–	–	–
SUBSTANTIAL SHAREHOLDERS					
Yanlord Holdings Pte. Ltd. ⁽¹⁾	1,278,390,000	–	1,278,390,000	66.185	73.539
Zhong Sheng Jian ⁽¹⁾	103,682,000	1,278,390,000	1,382,072,000	71.553	79.503

Notes:

- ⁽¹⁾ Zhong Sheng Jian is deemed to have an interest in 1,278,390,000 Shares held by Yanlord Holdings Pte. Ltd. ("YHPL"). YHPL is a company which is owned by Zhong Sheng Jian (95% shareholding interest) and his spouse (5% shareholding interest). Zhong Sheng Jian further holds US\$50,000,000 of 6.75% Senior Notes due 2023 issued by a wholly-owned subsidiary of the Company.
- ⁽²⁾ Zhong Siliang is deemed to have an interest in 30,095,000 Shares held by Investor Growth Co., Limited, a company which is wholly-owned by Zhong Siliang.
- ⁽³⁾ Hee Theng Fong holds US\$750,000 of 6.80% Senior Notes due 2024 issued by a wholly-owned subsidiary of the Company.
- ⁽⁴⁾ Hong Pian Tee is deemed to have an interest in 224,000 Shares held by his spouse.
- ⁽⁵⁾ As a percentage of the issued share capital of the Company, comprising 1,931,535,376 Shares excluding the 17,201,100 treasury shares.
- ⁽⁶⁾ As a percentage of the issued share capital of the Company, comprising 1,738,381,839 Shares (assuming the 17,201,100 treasury shares are cancelled during the year and the Company purchases the maximum number of 193,153,537 Shares under the Share Buyback Mandate).

4. DIRECTORS' RECOMMENDATION

The Directors are of the view that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company.

5. DIRECTORS' RESPONSIBILITY STATEMENT

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

Shareholders are advised to read this Appendix in its entirety and for any Shareholder who is in doubt as to the course of action he/she should take, to consult his/her bank manager, stockbroker, solicitor, accountant or other professional adviser.

LETTER TO SHAREHOLDERS

6. DOCUMENTS FOR INSPECTION

The following documents may be accessed at the Company's website at www.yanlordland.com:

- (a) the annual report of the Company for the financial year ended 31 December 2020;
- (b) the appendix to the notice of 2021 AGM, containing a letter to Shareholders dated 25 March 2021; and
- (c) the Constitution.

Yours faithfully
For and on behalf of
The Board of Directors
Yanlord Land Group Limited

Zhong Sheng Jian
Chairman and Chief Executive Officer