

SAPPHIRE

盛世企业

SAPPHIRE CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198502465W

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirtieth Annual General Meeting of **SAPPHIRE CORPORATION LIMITED** (the "**Company**") will be held at 55 Market Street #03-01, Singapore 048941 on Wednesday, 27 April 2016 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the year ended 31 December 2015 together with the Reports of the Auditors thereon. **(Resolution 1)**
- To approve the payment of Directors' fees of S\$255,710 for the year ended 31 December 2015 (2014: S\$275,405) comprising:
 - S\$206,530 to be paid in cash; and
 - S\$49,180 to be paid in the form of share awards under the Sapphire Shares Award Scheme, with any residual balance to be paid in cash.*[See Explanatory Note (i)]* **(Resolution 2)**
- To re-elect Mdm Cheung Kam Wa who retires pursuant to Article 91 of the Company's Constitution and who, being eligible, offer herself for re-election. **(Resolution 3)**
 - To re-elect Mr Tao Yeoh Chi who retires pursuant to Article 91 of the Company's Constitution and who, being eligible, offer himself for re-election. **(Resolution 4)***[See Explanatory Note (ii)]*
- To note the retirement of Mr Foo Tee Heng, retiring pursuant to Article 91 of the Company's Constitution and has decided not to stand for re-election. **(Resolution 5)**
 - To re-elect Ms Wang Heng who retires pursuant to Article 97 of the Company's Constitution and who, being eligible, offer herself for re-election. **(Resolution 6)**
 - To re-elect Mr Cheung Wai Suen who retires pursuant to Article 97 of the Company's Constitution and who, being eligible, offer himself for re-election. **(Resolution 7)**
- To re-appoint Messrs KPMG LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

7. Authority to allot and issue shares in the capital of the Company ("Shares") – Share Issue Mandate

"That, pursuant to Section 161 of the Companies Act, Chapter 50 (the "**Act**") and Rule 806 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

- allot and issue shares in the capital of the Company (the "**Shares**") (whether by way of rights, bonus or otherwise); and/or
 - make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require the Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, 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 of the Company shall in their absolute discretion deem fit; and
- (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:
 - the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) and convertible securities to be issued pursuant to this Resolution shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to the shareholders of the Company shall not exceed fifteen per cent. (15%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as at the time of passing of this Resolution);
 - (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and convertible securities that may be issued under sub-paragraph (1) above on a pro-rata basis, the total number of issued Shares (excluding treasury shares) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - new Shares arising from the conversion or exercise of convertible securities;
 - new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the rules of the Listing Manual of the SGX-ST; and
 - any subsequent bonus issue, consolidation or subdivision of Shares.
 - in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST as amended from time to time (unless such compliance has been waived by the SGX-ST) and the Constitution; and
 - unless previously revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting is required by law to be held, whichever is the earlier."

[See Explanatory Note (iii)]

(Resolution 8)

8. Authority to Grant Awards and Issue Shares under the Sapphire Shares Award Scheme

"That in accordance with the provisions of the Sapphire Shares Award Scheme ("**Scheme**") and pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be and are hereby authorised to grant awards ("**Awards**") and allot and issue from time to time such number of shares in the capital of the Company as may be required to be allotted and issued pursuant to the vesting of Awards under the Scheme, provided that the aggregate number of new shares to be allotted and issued pursuant to the Scheme and any other shares-based schemes of the Company shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time."

[See Explanatory Note (iv)]

(Resolution 9)

- To transact any other business that may be transacted at an Annual General Meeting of which due notice shall have been given.

By Order of the Board

Gwendolyn Gn Jong Yuh
Company Secretary
Singapore, 5 April 2016

NOTES:

- Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
- A member who is a Relevant Intermediary (as defined in Section 181(1c) of the Act, is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM. A proxy need not be a member of the Company.
- The form of proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
- If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Annual will act as your proxy.
- The form of proxy or other instruments of appointment shall not be treated as valid unless deposited at the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the time appointed for holding the meeting and at any adjournment thereof.
- For depositors holding their shares through The Central Depository (Pte) Limited in Singapore, the depositor proxy form, duly completed, must be deposited by the depositor(s) at the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the commencement of the Annual General Meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) 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.

Explanatory Notes:-

- The Ordinary Resolution 2 proposed in item 2 above, if passed, will empower the Directors, to pay the Directors' fees of S\$255,710 for the financial year ended 31 December 2015 comprising a combination of cash and shares. If approved, the aggregate amount of Directors' fees of S\$255,710 will be paid as to S\$206,530 in cash, and S\$49,180 in the form of share awards under the Scheme with any residual balance to be paid in cash. The actual number of shares to be awarded will be rounded down to the nearest share, and any residual balance settled in cash. Such Directors' fees will be paid upon approval by the shareholders at the Annual General Meeting.
- Further to the re-election of Mr Tao Yeoh Chi pursuant to Ordinary Resolution 4, he will continue to serve as Chairman of the Remuneration Committee and a member of the Audit Committee, Risk Management Committee and Nominating Committee of the Company and will be considered independent for the purposes of Rule 704(B) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors of the Company to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to 15% of the total number of issued Shares (excluding treasury shares) in the capital of the Company may be issued other than on a pro-rata basis to shareholders.
For determining the aggregate number of Shares that may be issued on a pro-rata basis, the total number of issued Shares (excluding treasury shares) will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares. In determining the 15% which may be issued other than on a pro-rata basis, the total number of issued Shares (excluding treasury shares) will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time the Ordinary Resolution 8 is passed.
- The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors of the Company, to grant Awards pursuant to the Scheme and allot and issue shares pursuant to the vesting of the Awards under the Scheme. The Scheme was approved by the shareholders of the Company in the extraordinary general meeting on 25 April 2008. Please refer to the Circular dated 9 April 2008 for further details.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**EGM**") of Sapphire Corporation Limited (the "**Company**") will be held at 11.30 a.m. on 27 April 2016 at 55 Market Street, #03-01, Singapore 048941 (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 11.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the following resolutions:

*All capitalised terms used below which are not defined herein shall have the same meaning ascribed to them in the Company's circular to Shareholders dated 5 April 2016 (the "**Circular**"), unless otherwise defined herein or where the context otherwise requires.*

RESOLUTION 1: THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE (ORDINARY RESOLUTION)

That:

- for the purposes of the Companies Act (Cap. 50) of Singapore (the "**Act**"), the exercise by the directors of the Company ("**Directors**") of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - on-market purchases, transacted on the ready market of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), or as the case may be, other stock exchange for the time being on which the Shares may be listed or quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose (the "**Market Purchase**"); and/or
 - off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Act and the Listing Manual (the "**Off-Market Purchase**"), and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being as applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-Back Mandate**");
- unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back 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 the next annual general meeting of the Company is held or required by law to be held; or
 - the date on which the purchases of Shares by the Company are carried out to the full extent mandated; or
 - the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked.
- in this resolution:

"**Prescribed Limit**" means the number of Shares representing ten per cent (10%) of the total number of issued ordinary shares in the share capital of the Company as at the date of the passing of this resolution (excluding any treasury shares that may be held by the Company as at that date);

"**Relevant Period**" means the period commencing from the date of the general meeting at which the Share Buy-Back Mandate is approved and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- in the case of a Market Purchase, 105% of the Average Closing Price;
 - in the case of an Off-Market Purchase, 120% of the Average Closing Price,
- where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last 5 Market Days ("**Market Day**" being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, immediately preceding the date of making the Market Purchase or, as the case may be, the date of making an announcement for an offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period; and

- the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they/he/she may consider expedient, necessary, desirable, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.

RESOLUTION 2: THE PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY IN SUBSTITUTION OF THE EXISTING CONSTITUTION OF THE COMPANY (SPECIAL RESOLUTION)

That:

- the regulations contained in the New Constitution of the Company as set out in Appendix A of the Circular to the Shareholders dated 5 April 2016 be and are hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the Existing Constitution; and
- the Directors of the Company and/or any of them be and are 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 may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Special Resolution.

RESOLUTION 3: THE PROPOSED CAPITAL REDUCTION (SPECIAL RESOLUTION)

That, in accordance with the prevailing Constitution of the Company, and Section 78A read with Section 78C of the Act:

- the share capital of the Company be reduced from S\$277,067,000 to S\$87,884,000 and that such reduction be effected and satisfied by the cancellation of the share capital of the Company that has been lost or is unrepresented by available assets to the extent of S\$189,183,000; and
- the Directors be and are hereby authorised to do and complete all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to this Special Resolution.

By Order of the Board

Sapphire Corporation Limited
Teh Wing Kwan
Group Chief Executive Officer and Managing Director
5 April 2016

Notes:

- Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
- Pursuant to Section 181(1c) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the 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 appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
- A proxy need not be a member of the Company.
- The form of proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
- If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Extraordinary General Meeting will act as your proxy.
- The form of proxy or other instruments of appointment shall not be treated as valid unless deposited at the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the time appointed for holding the meeting and at any adjournment thereof.
- For depositors holding their shares through The Central Depository (Pte) Limited in Singapore, the depositor proxy form, duly completed, must be deposited by the depositor(s) at the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the commencement of the Extraordinary General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) 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.