

SAPPHIRE

盛世企业

SAPPHIRE CORPORATION LIMITED

Company Registration No. 198502465W

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Third Annual General Meeting of **SAPPHIRE CORPORATION LIMITED** (the “**Company**”) will be held at 10 Anson Road #28-15, International Plaza, Singapore 079903 on Tuesday, 30 April 2019 at 09.30 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 2018 together with the Reports of the Auditors thereon. **(Resolution 1)**
- To approve the payment of Directors' fees of up to S\$205,000 for the year ending 31 December 2019 to be paid in cash and/or shares (2018: up to S\$200,000).
[See Explanatory Note (i)] **(Resolution 2)**
- To approve the following re-election of Directors:
(a) To re-elect Mr Cheung Wai Suen who retires pursuant to Regulation 89 of the Company's Constitution and who, being eligible, offer himself for re-election. **(Resolution 3)**
[See Explanatory Note (ii)]
(b) To re-elect Mr Duan Yang, Julien who retires pursuant to Regulation 89 of the Company's Constitution and who, being eligible, offer himself for re-election. **(Resolution 4)**
[See Explanatory Note (iii)]
(c) To re-elect Professor Chew Yong Tian who retires pursuant to Regulation 88 of the Company's Constitution and who, being eligible, offer himself for re-election. **(Resolution 5)**
[See Explanatory Note (iv)] **(Resolution 6)**
- To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.
- 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:

- Authority to allot and issue shares in the capital of the Company – 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:
(A) (i) allot and issue shares in the capital of the Company (the “**Shares**”) (whether by way of rights, bonus or otherwise); and/or
(ii) 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
(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 (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 and subsidiary holdings) 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 twenty percent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as at the time of passing of this Resolution);
(2) (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 and subsidiary holdings) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
(a) new Shares arising from the conversion or exercise of convertible securities;
(b) 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
(c) any subsequent bonus issue, consolidation or subdivision of Shares.
(3) 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
(4) unless 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 (v)] **(Resolution 7)**
- Authority to grant awards and issue shares under the Sapphire Share Award Scheme
“That in accordance with the provisions of the Sapphire Share Awards Scheme (the “**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 share awards (“**Awards**”) in accordance with the provisions of the Scheme and to allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the vesting of Awards under the Scheme, provided that the aggregate number of Shares available under the Scheme, when added to all Shares, options or awards granted under any other share option scheme, share award scheme or share incentive scheme of the Company then in force, shall not exceed 15% of the total issued share capital (excluding treasury shares and subsidiary holdings) of the Company from time to time.”
[See Explanatory Note (vi)] **(Resolution 8)**
- 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, 15 April 2019

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 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 72 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 72 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 up to S\$205,000 for the year ending 31 December 2019 to be paid in cash and/or shares.
- Further to the re-election of Mr Cheung Wai Suen (“**Mr Chueng**”), Mr Cheung will continue to serve as Chairman of the Board.
- Further to the re-election of Mr Duan Yang, Julien pursuant to Ordinary Resolution 4, he will continue to serve as Chairman of the Audit and Risk Committee, a member of the Nominating Committee and the Remuneration Committee of the Company and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).
- Further to the re-election of Professor Chew Yong Tian pursuant to Ordinary Resolution 5, he will continue to serve as a member of the Nominating Committee of the Company and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.
- The Ordinary Resolution 7 proposed in item 6 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 and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.
For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) 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 7 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.
- The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors of the Company to grant Awards pursuant to the Scheme and to 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 annual general meeting of the Company on 26 April 2018.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms which are not defined herein shall bear the same meanings as used in the circular dated 15 April 2019 issued by Sapphire Corporation Limited (the “**Circular**”).

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of the Shareholders of **SAPPHIRE CORPORATION LIMITED** (the “**Company**”) will be held at 10 Anson Road #28-15, International Plaza, Singapore 079903 on Tuesday, 30 April 2019 at 11.00 a.m. for the purposes of considering, and if thought fit, passing, with or without modifications, the following resolutions, which will be proposed as ordinary resolutions:

ORDINARY RESOLUTION 1 – THE RIGHTS ISSUE

THAT:

Subject to the passing of Ordinary Resolution 2 herein in this Notice of EGM:

- a non-renounceable non-underwritten Rights Issue by the Company of up to 81,517,978 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.128 per Rights Share (“**Issue Price**”) on the basis of one (1) Rights Share for every four (4) existing Shares held by shareholders of the Company (the “**Shareholders**”) as at a time and date as the Directors may, in its absolute discretion, determine (the “**Books Closure Date**”), fractional entitlements to be disregarded (“**Rights Issue**”), be and is hereby approved;
- the Board of Directors be and is hereby authorised to:
 - allot and issue such number of Rights Shares as the Directors may determine up to a maximum of 81,517,978 Rights Shares at the Issue Price of S\$0.128 per Rights Share for every four (4) existing Shares held by the Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, subscribed on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:
 - the provisional allotments of the Rights Shares under the Rights Issue shall be made on a non-renounceable non-underwritten basis to the Shareholders whose names appear in the Register of Members of the Company or the records of The Central Depository (Pte) Limited (“**CDP**”) as at the Books Closure Date and who have, at least three (3) Market Days prior thereto, provided to CDP or the share registrar of the Company (the “**Share Registrar**”), as the case may be, addresses in Singapore for the service of notices and documents;
 - no provisional allotment of the Rights Shares shall be made in favour of, and no application form or other documents in respect thereof shall be issued or sent to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”);
 - the entitlements to Rights Shares which would otherwise accrue to Foreign Shareholders shall be dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit;
 - provisional allotments of the Rights Shares not taken up, or which represent fractional entitlements disregarded in accordance with the terms of the Rights Issue, shall be used to satisfy Excess Applications (if any) or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and
 - the Rights Shares when issued and fully paid-up will rank pari passu in all respects with the then existing Shares save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date of which falls before the date of issue of the Rights Shares; and
 - the Directors be and are hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Rights Issue, with full power to assent to any condition, amendment, agreement, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this Ordinary Resolution or the transactions contemplated pursuant to or in connection with the Rights Issue.

ORDINARY RESOLUTION 2 – THE WHITEWASH RESOLUTION

THAT:

Subject to the passing of Ordinary Resolution 1 herein in this Notice of EGM and the satisfaction of all the conditions set out in the Securities Industry Council's (“**SIC**”) letter dated 5 March 2019, the Shareholders of the Company (other than the Undertaking Shareholder and Wang Heng (“**Concert Party Group**”)) do hereby, on a poll taken, unconditionally and irrevocably waive their rights to receive a mandatory general offer under Rule 14 of the Code from the Concert Party Group in accordance with Rule 14 of the Singapore Code on Takeovers and Mergers (“**Code**”), in respect of all or any part of the Shares held by such Shareholders, in the event that their subscription of the Rights Shares under the Rights Issue results in the Concert Party Group incurring an obligation to make a mandatory general offer pursuant to Rule 14 of the Code.

Voting Exclusion: The Company will, in accordance with the conditional waiver by the SIC, disregard any votes cast on this resolution by the Concert Party Group and any parties not independent of them.

BY ORDER OF THE BOARD

Gwendolyn Gn Jong Yuh
Company Secretary
Singapore, 15 April 2019

NOTES:

- Save as provided in the Company's constitution, a member entitled to attend and vote at the EGM and who is not a relevant intermediary may appoint not more than two (2) proxies to attend and vote in his stead. A shareholder of the Company entitled to attend and vote at the EGM and who is a relevant intermediary may appoint more than two (2) proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the shareholder.
“**Relevant intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.
- A proxy need not be a member of the Company. Where a member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
- The instrument appointing a proxy or proxies shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and: (i) in the case of an individual, shall be signed by the appointor or his attorney if the instrument of proxy is delivered personally or sent by post, or authorised by that individual through such method and in such manner as may be approved by the Directors if the instrument is submitted by electronic communication; (ii) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument of proxy is delivered personally or sent by post, or authorised by that corporation through such method and in such manner as may be approved by the Directors if the instrument of proxy is submitted by electronic communication.
- A Depositor's name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend, speak and vote at the EGM.
- The instrument appointing a proxy must be deposited at 80 Robinson Road #11-02, Singapore 068898 not less than 72 hours before the time appointed for holding the above EGM.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or by attending the EGM, 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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. In addition, by attending the EGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for any of the **Purposes**.