

Notice of Extraordinary General Meeting



集永成机构有限公司
Chip Eng Seng Corporation Ltd

Co. Reg. No. 199805196H (the 'Company')

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting of the Company will be held at Emerald Suite, Golf Clubhouse – Level II, Orchid Country Club, No. 1 Orchid Club Road, Singapore 769162 on 25 April 2013 at 11.30 a.m. (or immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same place at Emerald Suite, Golf Clubhouse – Level II, Orchid Country Club, No. 1 Orchid Club Road, Singapore 769162 for the purpose of considering and, if thought fit, passing, the following resolutions, with or without any amendment:-

ORDINARY RESOLUTION 1

RENEWAL OF THE SHARE PURCHASE MANDATE

That:-

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Cap. 50 (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:-
 - (i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or
 - (ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");
- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
 - (i) the date on which the next Annual General Meeting ("**AGM**") of the Company is held; or
 - (ii) the date by which the next AGM of the Company is required by law to be held;
- (c) in this Resolution:

"**Prescribed Limit**" means 10% of the issued Shares of the Company as at the date of passing of this Resolution; 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:-

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

where:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five consecutive Market Days, on which transactions in the Shares were recorded, before the day on which the Shares are transacted on the SGX-ST, immediately preceding the date of Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase pursuant to the equal access scheme, and deemed to be adjusted for any corporate action that occurs after the relevant five consecutive Market Days;

"**Day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

- (d) the Directors of the Company and/or any of them be and are hereby authorised to deal with the Shares purchased by the Company, pursuant to the Share Purchase Mandate in any manner as may be permitted under the Companies Act; and
- (e) 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 such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

ORDINARY RESOLUTION 2

ADOPTION OF THE EMPLOYEE SHARE OPTION SCHEME

That:-

- (a) the employee share option scheme to be known as the "Chip Eng Seng Employee Share Option Scheme 2013" ("**Share Option Scheme**"), under which options ("**Options**") may be granted to selected employees and directors (including executive and non-executive directors) of the Company and/or its subsidiaries and/or its associated companies, including controlling shareholders and their associates, who have, *inter alia*, attained the age of 21 years, to subscribe for Shares, particulars of which are set out in the Circular to shareholders of the Company dated 2 April 2013, be and is hereby approved and adopted;
- (b) the Directors of the Company be and are hereby authorised:-
 - (i) to establish and administer the Share Option Scheme; and
 - (ii) to modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Option Scheme and to do all such acts and to enter into all such transactions, arrangement and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme; and
- (c) the Directors of the Company be and are hereby authorised to offer and grant Options in accordance with the provisions of Share Option Scheme and to allot and issue from time to time such number of Shares as may be required to be issued, and to deliver existing Shares (including treasury shares, if any) and allot and issue from time to time such number of new Shares as may be required to be transferred or allotted and issued pursuant to the exercise of the Options under the Share Option Scheme, provided that the aggregate number of Shares to be issued pursuant to the Share Option Scheme and other share-based incentive schemes of the Company shall not exceed 15% of the total number of Shares of the Company from time to time.

ORDINARY RESOLUTION 3

PROPOSED GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME AT A DISCOUNT

THAT subject to and contingent upon the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised to offer and grant Options in accordance with the rules of the Share Option Scheme with subscription prices which are set at a discount to the Market Price (as determined in accordance with the rules of the Share Option Scheme) provided that such discount shall not exceed twenty per cent (20%) of the Market Price at the time of the grant of the Options.

SPECIAL RESOLUTION 1

AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

That the Articles of Association of the Company (the "**Articles**") be and are hereby amended by the addition of Article 163A as set out below immediately after Article 163:

"163A. (1) Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend or distribution (including an interim, final, special or other dividend or distribution) be paid or declared on the ordinary shares of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

- (a) the basis of any such allotment shall be determined by the Directors;
- (b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article 163A;
- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of the election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "**Elected Ordinary Shares**") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding any provision of the Articles to the contrary), the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may be lawfully appropriated, capitalised, applied, paid or distributed for the purpose of the allotment and without prejudice to the generality of the foregoing the Directors may (a) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis, or (b) apply the sum which would otherwise have been payable in cash to the holders of Elected Ordinary Shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis.
- (2) (a) The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article 163A shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the Dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
 - (b) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalisation, application, payment and distribution of funds pursuant to the provisions of paragraph (1) of this Article 163A, with full power to make such provisions as they think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the members) and to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.
- (3) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 163A, determine that the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Article 163A shall be read and construed to such determination.
- (4) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 163A, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to members whose registered mailing addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlements of the members aforesaid shall be to receive in cash the relevant Dividend resolved or proposed to be paid or declared.
- (5) Notwithstanding the foregoing provisions of this Article 163A, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article 163A in relation to any Dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company, cancel the proposed application of paragraph (1) of this Article 163A."

BY ORDER OF THE BOARD

Abdul Jabbar Bin Karam Din
Joint Company Secretary
2 April 2013

Notes:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead and any such proxy need not be a member of the Company.
2. The instrument appointing a proxy must be lodged at the registered office of the Company at 69 Ubi Crescent, #06-01, CES Building, Singapore 408561 not less than 48 hours before the time appointed for the Extraordinary General Meeting.
3. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instruction appointing a proxy is executed by a corporation, it must be duly executed either under its seal or under the hand of any officer or attorney duly authorised.