

**FIRST SPONSOR GROUP LIMITED**  
(the “Company”)  
(Company Registration No.: AT-195714)  
(Incorporated in the Cayman Islands)

Minutes of the Annual General Meeting held at Grand Copthorne Waterfront Hotel Singapore, Riverfront Ballroom, Level 2, 392 Havelock Road, Singapore 169663 on Wednesday, 26 April 2017 at 3.00 p.m.

**Present**

**Directors**

- |                                  |   |
|----------------------------------|---|
| Mr Ho Han Leong Calvin (CH)      | - Non-Independent Non-Executive Chairman                        |
| Mr Ho Han Khoon (HHK)            | - Alternate Director to Mr Ho Han Leong Calvin                  |
| Mr Neo Teck Pheng (NTP)          | - Executive Director and Group Chief Executive Officer (“GCEO”) |
| Ms Ting Ping Ee, Joan Maria (JT) | - Non-Executive Independent Director                            |
| Mr Yee Chia Hsing (YCH)          | - Non-Executive and Lead Independent Director                   |
| Mr Desmond Wee Guan Oei (DW)     | - Non-Executive Independent Director                            |

**Absent with apologies**

- Mr Tan Kian Seng (TKS)  
(Non-Independent Non-Executive Director)

**Shareholders**

- As per attendance list

**Proxies**

- As per attendance list

**In-Attendance**

- As per attendance list

**CHAIRMAN**

CH presided as Chairman of the Annual General Meeting (“AGM” or “Meeting”). He extended a warm welcome to all present at the Meeting. CH introduced the Directors and Management seated with him at the Meeting.

**QUORUM**

The requisite quorum being present pursuant to the Company’s Amended and Restated Articles of Association (“Articles”), the Chairman called the Meeting to order at 3.00 p.m.

**NOTICE OF MEETING**

The Notice convening the Meeting, having been in the hands of the Shareholders for the requisite period was, with the concurrence of the Meeting, taken as read.

**POLL VOTING**

The Chairman informed the Meeting that the voting of the resolutions tabled to this Meeting shall be conducted by way of poll.

The Chairman informed the Meeting that Messrs. Moore Stephens LLP has been appointed as Scrutineers for the poll conducted at the Meeting. The Meeting noted that the electronic wireless hand held device have been provided to the Shareholders and proxies at the point of their registration.

The Scrutineer from Messrs. Moore Stephens LLP explained the procedures for the conduct of voting by poll for all the resolutions tabled at the Meeting.

The Chairman informed the Shareholders present at the Meeting that he has been appointed as proxy by certain Shareholders to vote on their behalf, in accordance with their instructions stated in their respective proxy forms.

### **ORDINARY BUSINESS**

*All questions from Shareholders and responses from the Directors and Management were set out in the Appendix "A" as annexed.*

#### **RESOLUTION 1 - AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016, THE DIRECTORS' STATEMENTS AND AUDITORS' REPORT THEREON**

The following motion was duly proposed by Huang Heng Cheong (Shareholder) and seconded by Khoo Yiok Khoon Mervyn. (Shareholder)

"That the Audited Financial Statements for the financial year ended 31 December 2016, the Directors' Statements and the Auditors' Report contained therein be and are hereby received and adopted."

The Chairman invited questions from the Meeting.

After answering the questions from the Shareholders, the motion was put to vote by poll via electronic manner. 507,220,307 ordinary shares representing 100% voted 'For' the Resolution. The Chairman declared Resolution 1 carried.

#### **RESOLUTION 2 – FINAL TAX-EXEMPT (ONE-TIER) DIVIDEND**

The following motion was duly proposed by Teng Seng Bok (Shareholder) and seconded by Tan Tock Hian (Shareholder):

"That the declaration of a final tax-exempt (one-tier) dividend of 1.00 Singapore cent per ordinary share in the capital of the Company for the financial year ended 31 December 2016 be and is hereby approved."

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 507,212,307 ordinary shares representing 100% voted 'For' the Resolution. The Chairman declared Resolution 2 carried.

#### **RESOLUTION 3 – DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2017**

The following motion was duly proposed by Zhang Jiarong (Shareholder) and seconded by Huang Heng Cheong (Shareholder):

"That the Directors' fees of S\$298,000 for the financial year ending 31 December 2017 payable quarterly in arrears be and is hereby approved."

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 506,430,735 ordinary shares representing 99.99% voted 'For' the Resolution. The Chairman declared Resolution 3 carried.

**RESOLUTION 4 – RE-ELECTION OF CH RETIRING PURSUANT TO ARTICLE 86(1) OF THE ARTICLES**

Resolution 4 dealt with the re-election of CH as Director of the Company. CH handed over the Chair to NTP.

NTP informed that in accordance with Article 86(1) of the Articles, CH retires as a Director at the Meeting and being eligible, offered himself for re-election.

The following motion was duly proposed by Tan Song Kieow (Shareholder) and seconded by Zhang Jiarong (Shareholder):

“That Mr Ho Han Leong Calvin be and is hereby re-elected as a Director of the Company.”

The Chairman invited questions from the Meeting.

There was no question raised and the motion was put to vote by poll via electronic manner. 504,723,961 ordinary shares representing 99.65% voted 'For' the Resolution. The Chairman declared Resolution 4 carried.

NTP handed over the Chair to CH. CH thanked NTP for chairing the Meeting and the Shareholders for their support.

**RESOLUTION 5 – RE-ELECTION OF NTP RETIRING PURSUANT TO ARTICLE 86(1) OF THE ARTICLES**

The Meeting was informed that NTP who was due to retire pursuant to Article 86(1) of the Articles and being eligible, had consented to stand for re-election.

The following motion was duly proposed by Han Ai Tin (Shareholder) and seconded by Zhang Jiarong (Shareholder):

“That Mr Neo Teck Pheng be and is hereby re-elected as a Director of the Company.”

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 506,316,735 ordinary shares representing 99.97% voted 'For' the Resolution. The Chairman declared Resolution 5 carried.

**RESOLUTION 6 – RE-ELECTION OF TKS RETIRING PURSUANT TO ARTICLE 85(6) OF THE ARTICLES**

The Meeting was informed that TKS who was due to retire pursuant to Article 85(6) of the Articles and being eligible, had consented to stand for re-election. The Chairman informed that TKS, who is abroad, had sent his apologies to the Meeting.

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The following motion was duly proposed by Tan Song Kieow (Shareholder) and seconded by Soo Lai Sun (Proxy):

“That Mr Tan Kian Seng be and is hereby re-elected as a Director of the Company.”

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 506,302,735 ordinary shares representing 99.97% voted ‘For’ the Resolution. The Chairman declared Resolution 6 carried.

**RESOLUTION 7 – RE-ELECTION OF DW RETIRING PURSUANT TO ARTICLE 85(6) OF THE ARTICLES**

The Meeting was informed that DW who was due to retire pursuant to Article 85(6) of the Articles and being eligible, had consented to stand for re-election.

The following motion was duly proposed by Khoo Yiok Khoon Mervyn (Shareholder) and seconded by See Yat Tuck (Shareholder):

“That Mr Desmond Wee Guan Oei be and is hereby re-elected as a Director of the Company.”

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 506,426,735 ordinary shares representing 99.99% voted ‘For’ the Resolution. The Chairman declared Resolution 7 carried.

**RESOLUTION 8 - RE-APPOINTMENT OF AUDITORS**

The Chairman informed the Meeting that Messrs. KPMG LLP have confirmed their willingness to accept re-appointment as Auditors of the Company.

Huang Heng Cheong (Shareholder) proposed and Yeh Ming Toh (Shareholder) seconded the following motion:

“That KPMG LLP who have consented for re-appointment as Auditors of the Company, be and is hereby re-appointed.”

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 506,473,895 ordinary shares representing 100.00% voted ‘For’ the Resolution. The Chairman declared Resolution 8 carried.

**SPECIAL BUSINESSES****RESOLUTION 9 - AUTHORITY TO ALLOT AND ISSUE NEW SHARES**

The following motion was duly proposed by Han Ai Tin (Shareholder) and seconded by Siew Wei Chew (Shareholder):

“That pursuant to the listing rules (“Listing Rules”) of the SGX Listing Manual, authority be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, to:

- (a)
  - (i) issue shares in the capital of the Company (“Shares”) whether by way of bonus, rights or otherwise; and/or
  - (ii) make or grant offers, agreements or options (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, options, debentures or other instruments convertible into Shares; and/or
  - (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issue; and
- (b) (notwithstanding the authority conferred by this resolution (“Resolution”) may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force,

provided that:

- (i) 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) shall not be more than 50% of the total number of issued shares (excluding treasury shares), in the capital of the Company or such other limit as may be prescribed by the SGX-ST as at the date the general mandate is passed;
- (ii) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to existing shareholders shall not be more than twenty per cent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company or such other limit as may be prescribed by the SGX-ST as at the date the general mandate is passed;
- (iii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (i) and (ii) above, the total number of issued shares (excluding treasury shares) shall be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company as at the date the general mandate is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or employee stock options or vesting of share awards which are outstanding or subsisting at the date the general mandate is passed and any subsequent bonus issue, consolidation or subdivision of the Company’s shares; and
- (iv) unless earlier revoked or varied by the Company in general meeting, such authority shall continue in force until the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier.”

The Chairman invited questions from the Meeting.

There was no question raised. The motion was put to vote by poll via electronic manner. 492,587,502 ordinary shares representing 97.28% voted ‘For’ the Resolution. The Chairman declared Resolution 9 carried.

**RESOLUTION 10 – THE PROPOSED CAPITAL REDUCTION**

The following motion was duly proposed by Khoo Yiok Khoon Mervyn (Shareholder) and seconded by Zhang Jiarong (Shareholder):

“That, conditional upon:

- (a) (i) an order being made by the Court confirming the Proposed Capital Reduction (as defined below);
- (ii) the registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Proposed Capital Reduction and Minute approved by the Court;
- (iii) compliance with any conditions as may be imposed by the Court in relation to the Proposed Capital Reduction;
- (iv) compliance with all relevant legal procedures and requirements under the laws of the Cayman Islands and Singapore (if any) to effect the Proposed Capital Reduction; and
- (v) the receipt of all necessary approvals (if any) from the regulatory authorities, including but not limited to, the SGX-ST, as may be required in respect of the transactions contemplated by the Proposed Capital Reduction,

upon the Effective Date on which the aforesaid conditions are fulfilled:

- (b) (i) the issued and paid-up share capital of the Company be reduced from US\$589,814,949 divided into 589,814,949 shares with a par value of US\$1.00 each in the capital of the Company to US\$58,981,494.90 divided into 589,814,949 shares with a par value of US\$0.10 each in the capital of the Company by the cancellation of the paid-up share capital of the Company to the extent of US\$0.90 on each of the shares with a par value of US\$1.00 in the capital of the Company in issue on the Effective Date so that each issued share with a par value of US\$1.00 in the capital of the Company shall be treated as one (1) fully paid-up share with a par value of US\$0.10 in the capital of the Company as at the Effective Date and any liability of the holders of such shares to make any further contribution to the share capital of the Company on each such share shall be treated as satisfied (the “Proposed Capital Reduction”);
- (ii) subject to and forthwith upon the Proposed Capital Reduction taking effect, all the authorised but unissued shares with a par value of US\$1.00 each in the capital of the Company (which shall include the authorised but unissued shares resulting from the Proposed Capital Reduction) be cancelled and the authorised share capital of the Company of US\$2,000,000,000 be diminished by US\$1,941,018,505.10 representing the amount of shares so cancelled and, forthwith upon such cancellation, the authorised share capital of the Company be increased to US\$200,000,000 by the creation of 1,410,185,051 shares with a par value of US\$0.10 each in the capital of the Company (representing the difference between 2,000,000,000 shares with a par value of US\$0.10 each and the number of shares with a par value of US\$0.10 each in the capital of the Company in issue after the Proposed Capital Reduction);
- (iii) subject to and forthwith upon the Proposed Capital Reduction taking effect, the credit amount of US\$530,833,454.10 arising from the Proposed Capital Reduction be applied to a distributable reserve account of the Company where it may be utilised by the Directors of the Company in accordance with the Memorandum and Articles of Association of the Company and the Cayman Companies Law; and

- (iv) the Directors of the Company be and are (or any one of them be and is) hereby authorised to take any and all steps, and to do and/or procure to be done any and all acts and things, and to approve, sign and execute any documents which they (or he/she) in their (or his/her) absolute discretion consider to be necessary, desirable or expedient to implement and carry into effect this special resolution and to exercise such discretion in connection with, relating to or arising from the Proposed Capital Reduction and/or the matters contemplated therein, with such modifications thereto (if any) as they (or he/she) may from time to time consider necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Capital Reduction.”

The Chairman invited questions from the Meeting.

After answering the questions from the Shareholders, the motion was put to vote by poll via electronic manner. 506,423,735 ordinary shares representing 99.99% voted ‘For’ the Resolution. The Chairman declared Resolution 10 carried.

## **CONCLUSION**

There being no other business, the Chairman declared the Meeting concluded at 4.30 p.m. and thanked all present for their attendance.

Signed as a true record of the proceedings

Ho Han Leong Calvin  
Chairman

**FIRST SPONSOR GROUP LIMITED**

(Company Registration No.: AT-195714)

(Incorporated in the Cayman Islands)

NO.	QUESTIONS / COMMENTS FROM SHAREHOLDERS / PROXIES	COMPANY'S REPLY
<b>RESOLUTION 1 - AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016, THE DIRECTORS' STATEMENTS AND AUDITORS' REPORT THEREON</b>		
1.	<p>Shareholder enquired about the following:-</p> <p>a. What is the stage of completion to qualify for pre-sale permit for the Millennium Waterfront Project in Chengdu?</p> <p>b. What is the required duration to complete the construction works?</p> <p>c. Has the Group obtained the pre-sale permit for Plot D of the Millennium Waterfront Project?</p> <p>d. What are the comparable prices for properties surrounding the Company's development projects including Plot D of the Millennium Waterfront Project?</p> <p>e. What is the down payment required from the buyer?</p>	<p>NTP: For projects in Chengdu, the pre-sale permit can be applied from the relevant authority upon the completion of foundation works. For the Millennium Waterfront Project which is located in Wenjiang, the pre-sale permit can be applied when the construction reaches first level which is soon after completion of foundation works.</p> <p>NTP: The construction works can be completed in less than 24 months from the date of commencement.</p> <p>NTP: The Group had started to obtain pre-sale permits for some of the blocks in Plot D in December 2016.</p> <p>NTP: Currently, the price of properties in Chengdu including Wenjiang where the Millennium Waterfront Project is located, is on the rise. Wenjiang appears to benefit in particular from infrastructure development in the surrounding areas of Wenjiang. Other developers in Wenjiang had also experienced increased sales demand.</p> <p>The Group has capitalised on the strong buying sentiment and adjusted the sale prices of its residential units several times last year.</p> <p>NTP: A first time buyer is required to pay a down payment of 30% in cash. The remaining 70% purchase consideration can be funded via mortgage financing from a bank. The bank would typically advance the balance to the Group within 1 to 2 months from the date of sale upon the approval of the mortgage application.</p>



		<p>A second time buyer is required to pay a down payment of 50% to 60% in cash; with the remaining purchase consideration funded through mortgage financing.</p> <p>NTP: The defaulted loans originated from the entrusted loans disbursed by the Group.</p> <p>NTP: The LTV for the first defaulted loan of RMB170 million is slightly less than 50% as at 31 December 2016.</p> <p>For the second defaulted loan, the Group has placed caveats on the mortgaged properties of the borrowers, including the unencumbered assets of the borrowers. The LTV for this loan is less than 25% as at 31 December 2016.</p> <p>NTP: The Group's property financing loans are carried at cost. The values of the properties mortgaged to the Group were based on the valuation reports at the time when the Group provided the loan to the borrowers. Generally, the values of properties have appreciated.</p> <p>NTP: The general policy of the Group is to only provide property financing secured on properties in key first tier cities in the PRC and cities in which the Group operates in. The property collateral on the Group's existing property financing loans comprises offices and residential apartments. Currently, the Group provides financing secured on properties located in Shanghai, Beijing and Chengdu.</p> <p>NTP: During the Company's IPO in 2014, the key geographical focus of the Group was Chengdu, Dongguan and Shanghai.</p> <p>After the IPO, the Group took a conscious effort to diversify out of China due to its strong cash position and the negative business environment in China in late 2014 that restricted the expansion and business activities of the Group.</p> <p>The Chairman of the Board, who has more than 20 years of business experience in the Netherlands, had advised Management to explore business opportunities in the Netherlands. With the guidance and strong support from the</p>
	<p>f. Are the property financing defaulted loans originated by the Group or acquired from the secondary market?</p> <p>g. What is the loan-to-valuation ("LTV") of the defaulted loans?</p> <p>h. Are the values of these properties recorded at cost or mark-to-market?</p> <p>i. What are the type and location of these properties?</p> <p>j. What is the Group's strategic direction (geographical wise)?</p>	

	<p>k. Regarding the Group's cash held in China, are there structures in place to get them out when the Group needs it?</p>	<p>Board and Tai Tak's Dutch management team, the Group expanded into the Netherlands since early 2015.</p> <p>The Group continues to be on the lookout for growth opportunities in China, the Netherlands and other regions.</p> <p>NTP: Yes. The Group has the adequate structure in place to repatriate funds out of the PRC in a tax efficient manner.</p>
2.	<p>a. Shareholder commented that the key shareholders of FSGL hold more than 80% shareholding in the Company. He enquired on how to increase the free float and what is the plan of the Company to increase the free float?</p> <p>b. The Company has high cash holding. We shareholders expect a higher dividend payout. Does the Group have any near term investment objectives?</p> <p>c. Shareholder complimented the Management and team for their excellent work. He enquired whether the Group will set a fixed dividend payout ratio (i.e. dividend as a percentage of profit).</p>	<p>NTP: The current free float is approximately 15% and would increase if the key shareholders (i.e. Hong Leong Group Singapore or Tai Tak Group) dilute their shareholdings. However, Tai Tak Group has in fact increased their shareholdings in FSGL due to their confidence in the Company. Currently, the Company is financially strong and has no immediate plans to raise funds through equity.</p> <p>YCH: The percentage of free float is small but the market capitalisation of the Company is large. Therefore the current percentage of free float of 15% does not restrict the trading activities of the Company.</p> <p>NTP: The Group declared a total dividend of two Singapore cents per share to shareholders for the financial year ended 31 December 2016 which represents a 17.6% increase from the financial year ended 31 December 2015. The Board would work towards a steady growth in dividend when appropriate, subject to the successful implementation of the Group's business strategy and prevailing market conditions. The Group continues to be on the lookout for growth opportunities.</p> <p>NTP: The Group has no plan to set a fixed dividend payout ratio.</p> <p>YCH: The Group is a property development company and profit recognition on its property development projects in the PRC is linked to the timing of the handover of the completed units which may be lumpy. If the Company sets a fixed dividend payout ratio, this will create an uncertainty to the quantum of dividends declared. The Board prefers to have a steady growth in dividend payout instead.</p>

	d. Does the Company as a whole engage with the financial community on an ongoing basis?	NTP: The Company meets and briefs the analysts and key investors on the development of the Group every quarter.
3.	Does the Company have any plan for a share split?	NTP: No. The existing share price of the Company is around S\$1.30. The share splitting exercise will result in the share price of the Company dropping to below S\$1.00. The Board prefers to have its share price at above S\$1.00.
4.	The Company is doing well. The dividends increased by 17.6% which is not in line with the increase in directors' fees of more than 50%. Can the Company consider sharing the fruits more equally? Property developers should maximize the utilization of its cash and it is not advisable to keep too much cash.	<p>NTP: The dividend payment rate was not determined by the Board of Directors. It was recommended by Management i.e. CEO and CFO who are also shareholders of the Company. The Board considered and made the recommendation on the dividend to the shareholders for approval.</p> <p>In relation to the query on directors' fees, only three out of six directors i.e. the Independent Directors receive directors' fees. The remaining three non-independent directors have renounced their directors' fees to the Company.</p> <p>The directors' fees for FY2017 were benchmarked against the directors' fees of other publicly listed entities of Hong Leong Group Singapore, namely City Developments Limited, Hong Leong Asia Ltd. and Hong Leong Finance Limited.</p>
5.	Please consider rewarding shareholders more by bonus issue.	NTP: Management has taken note and would consider the proposal.
<b>RESOLUTION 10 – THE PROPOSED CAPITAL REDUCTION</b>		
6.	Does this capital reduction involve cash distribution to shareholders?	<p>NTP: The key objective for the Company to carry out this capital reduction is to address an administrative issue. This exercise does not involve a cash distribution.</p> <p>The recent share price of the Company at around S\$1.33 per share is below the existing par value per share of US\$1.00 (equivalent to approximately S\$1.39). The Group would face challenges in raising equity from the market as the Company's share price has been lower than its US\$1.00 par value.</p> <p>The capital reduction, to reduce the par value of the Company's shares from US\$1.00 to US\$0.10, will provide the</p>

		Company with greater flexibility to issue new shares in future for the purposes of fund-raising or facilitating corporate actions which may require the issuance of new shares as and when the need arises.
7.	Does the capital reduction have any financial impact to shareholders and the Company?	<p>LSH: The capital reduction has no financial impact to shareholders and the Company. The net asset value of the Group remains unchanged pre- and post-exercise.</p> <p>The credit arising from the capital reduction would be reflected in the balance sheet as a distributable reserve which will be available for distribution of dividends in future.</p>
8.	<p>a. If this resolution is not passed, would the Company be able to issue new shares below its par value of USD1.00 i.e. S\$1.39?</p> <p>b. If shareholders approved this resolution, can the Company issue new shares at a huge discount?</p> <p>c. The reduction of US\$1.00 to US\$0.10 represents a huge reduction of 90%. Why did the Company decide to reduce the par value to US\$0.10?</p>	<p>NTP: If this resolution is not approved by the shareholders and the Company has to call for a rights issue, the new shares would be issued at S\$1.39 which is higher than the current share price of S\$1.33. The two controlling shareholders, i.e. Hong Leong Group Singapore and Tai Tak who are cash rich, may take up the rights issue at S\$1.39 to prevent a dilution of their shareholdings. However, the retail investors might not take up the new shares at a price which is higher than the market price.</p> <p>YCH: SGX listing rules set a limit to the discount at which new shares can be issued by a listed company. i.e. an issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the exchange for the full market day on which the placement or subscription agreement is signed.</p> <p>NTP: The market is volatile. A capital reduction exercise will incur costs and is time consuming as a court approval is required. As the purpose of the exercise is to address an administrative issue, it is advisable for the Company to conduct just one exercise in view of the time and cost savings.</p> <p>DW: Today, investors evaluate the value of shares or the Company by its financial performance, market value of shares etc. rather than the par value of its shares. The concept of par value has been abolished in</p>

		Singapore and many other countries but not in the Cayman Islands. The capital reduction is to address the administrative issue as explained earlier and would not affect the value of the shares of the Company.
9.	Will the share price drop after the capital reduction?	NTP: The share price of the Company is affected by many factors including market sentiments. As explained earlier, from an accounting perspective, this capital reduction exercise has no financial impact to the shareholders and the Company.