

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

If you are in any doubt about the contents of this Appendix or the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your issued and paid-up ordinary shares in the capital of the Company, you should forward this Appendix immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.



TIGER AIRWAYS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200701866W)

APPENDIX

TO THE

NOTICE OF ANNUAL GENERAL MEETING

DATED 9 JULY 2013

This page has been intentionally left blank.

DEFINITIONS

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

| | | |
|-------------------------------|---|---|
| “AGM” | : | The annual general meeting of the Company to be held on 31 July 2013. |
| “Appendix” | : | This Appendix to the Notice of Annual General Meeting of the Company dated 9 July 2013. |
| “Approved Exchange” | : | A stock exchange that has rules which safeguard the interests of Shareholders against Interested Person Transactions according to similar principles to Chapter 9 of the Listing Manual. |
| “Associates” | : | <p>(a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:</p> <ul style="list-style-type: none">(i) his immediate family (that is, the person’s spouse, child, adopted child, step-child, sibling and parent);(ii) the trustee of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; <p>(b) In relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.</p> |
| “Associated Companies” | : | Companies in which at least 20% but not more than 50% of its shares are held by the Company or the Group. |
| “Audit Committee” | : | The audit committee of the Company. |
| “Board” | : | The board of Directors of the Company. |
| “CDP” | : | The Central Depository (Pte) Limited. |
| “CEO” | : | The Chief Executive Officer of the Company. |
| “CFO” | : | The Chief Financial Officer of the Company. |
| “Company” | : | Tiger Airways Holdings Limited, a company incorporated in the Republic of Singapore. |

| | | |
|--|---|--|
| “Companies Act” | : | The Companies Act, Chapter 50 of Singapore (as may be amended from time to time). |
| “Control” | : | The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the company. |
| “Controlling Shareholder” | : | A person who:– (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in a company (unless the SGX-ST determines that a person who satisfies this is not a Controlling Shareholder of the company); or (b) in fact exercises Control over the company. |
| “Directors” | : | The Directors of the Company as at the Latest Practicable Date. |
| “Entity at Risk” or “EAR Group” | : | The Company; a subsidiary of the Company that is not listed on the SGX-ST or an Approved Exchange; and/or an Associated Company that is not listed on the SGX-ST or an Approved Exchange, provided that the Group, or the Group and its interested person(s), has Control over the Associated Company. |
| “Group” | : | The Company and its subsidiaries. |
| “Interested Person(s)” | : | A Director, CEO or Controlling Shareholder (including the Associates of such Director, CEO or Controlling Shareholder). |
| “Interested Person Transaction(s)” | : | A transaction between an Entity at Risk and an Interested Person. |
| “IPT Mandate” | : | The general mandate for Mandated IPTs which was previously approved by Shareholders and for which renewal is now being sought. The IPT Mandate was first approved by Shareholders at the Company’s extraordinary general meeting on 14 December 2009 and subsequently renewed at the Company’s annual general meetings of 30 July 2010, 29 July 2011 and 31 July 2012. |
| “Latest Practicable Date” | : | The latest practicable date prior to the printing of this Appendix, being 14 June 2013. |
| “Listing Manual” | : | The Listing Manual of the SGX-ST, as amended or modified from time to time. |
| “Mandated Interested Persons” | : | Has the meaning ascribed to it in paragraph 2 of the Annexure to this Appendix. |

| | | |
|----------------------------|---|---|
| “Mandated IPTs” | : | Certain specified categories of Interested Person Transactions between the EAR Group and Mandated Interested Persons, with meaning ascribed to it in paragraph 3 of the Annexure to this Appendix. |
| “Review Procedures” | : | Has the meaning ascribed to it in paragraph 4 of the Annexure to this Appendix. |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited. |
| “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. |
| “Shares” | : | Ordinary shares in the share capital of the Company. |
| “SIA Group” | : | Singapore Airlines Limited and its Associates. |
| “Temasek Group” | : | Temasek Holdings (Private) Limited and its Associates (excluding Singapore Airlines Limited and its Associates). |

Currencies, Units and Others

| | | |
|---------------------------|---|---|
| “S\$” and “cents” | : | Singapore dollars and cents respectively. |
| “%” or “per cent.” | : | Per centum or percentage. |

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act and the terms **“subsidiary”** and **“substantial shareholder”** shall have the meanings ascribed to them in Sections 5 and 81 of the Companies Act respectively.

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 Companies Act or any statutory modification thereof and used in this Appendix shall have the same meaning assigned to it under the Companies Act or any modification thereof, as the case may be, unless the context otherwise requires.

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

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

Any discrepancies in the tables 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.

APPENDIX

THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS.

1. INTRODUCTION

The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the IPT Mandate at the AGM.

2. THE PROPOSED RENEWAL OF THE IPT MANDATE

2.1 Background

At the annual general meeting held by the Company on 31 July 2012, approval of the Shareholders was obtained for the renewal of the IPT Mandate to enable the EAR Group to enter into Mandated IPTs provided that such transactions are made in accordance with the Review Procedures which are designed to ensure that the Mandated IPTs are entered into on normal commercial terms and are not prejudicial to the Company and its minority Shareholders. Upon renewal at the AGM, the IPT Mandate will continue in force until the next annual general meeting of the Company in 2014.

2.2 The Proposed Renewal of the IPT Mandate

The IPT Mandate, including, *inter alia*, the rationale for, its scope, the benefits to the Company and Shareholders, the classes of Interested Persons, the categories of Interested Person Transactions and the review procedures for determining transaction prices and other general information relating to Chapter 9 of the Listing Manual, are set out in the Annexure to this Appendix. The activities in respect of which the IPT Mandate is sought to be renewed remain unchanged.

The Directors propose that the IPT Mandate be renewed at the AGM on the terms of the ordinary resolution to be proposed at the AGM and (unless revoked or varied by the Company in a general meeting) to continue in force until the next annual general meeting of the Company. It is intended that approval will be sought for the renewal of the IPT Mandate from Shareholders at the next and at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of its continued application to the Mandated IPTs and that the Review Procedures continue to be sufficient to ensure that the Mandated IPTs will be carried out on normal commercial terms and will not be prejudicial to the interest of the Company and its minority Shareholders.

2.3 Audit Committee's Statement

Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit Committee (comprising Messrs Po'ad Bin Shaik Abu Bakar Mattar, Yap Chee Keong, Lee Chong Kwee and de Vaz Don Emmanuel Maurice Rosairo) confirms that:

- (a) the Review Procedures under the IPT Mandate have not changed since Shareholders approved its renewal at the Company's annual general meeting on 31 July 2012; and
- (b) the Review Procedures are sufficient to ensure that the Mandated IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If, during the periodic reviews by the Audit Committee, the Audit Committee is of the view that the Review Procedures are inadequate or inappropriate to ensure that the Mandated IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, or in the event of any amendment to Chapter 9 of the Listing Manual, it will, in consultation with the Board, take such action as it deems proper in respect of such procedures and/or modify or implement such procedures as may be necessary and direct the Company to revert to Shareholders for a fresh mandate based on new guidelines and procedures for transactions with Interested Persons.

2.4 Disclosures

Disclosure will be made in the Company's annual report of the aggregate value of all Interested Person Transactions conducted pursuant to the IPT Mandate during the relevant financial year, in accordance with Chapter 9 of the Listing Manual. The Company will also announce the aggregate value of transactions conducted pursuant to the IPT Mandate for the relevant financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual and within the time period required for the announcement of such report.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors' Shareholdings, the Register of Substantial Shareholders and the issued share capital of 985,505,427 Shares as at the Latest Practicable Date, the direct and deemed interests and voting rights of the Directors and substantial shareholders are as follows:

| Directors | Direct Interest (Number of Shares) | Deemed Interest (Number of Shares)⁽¹⁾ | Total Interest | Percentage of total Shares in issue (%) |
|-------------------------------------|---|---|-----------------------|--|
| Joseph Yuvaraj Pillay | 720,000 | — | 720,000 | 0.07 |
| Koay Peng Yen | — | 540,000 | 540,000 | 0.05 |
| Lee Chong Kwee | — | — | — | — |
| Gerard Yeap Beng Hock | — | — | — | — |
| Po'ad Bin Shaik Abu Bakar Mattar | — | — | — | — |
| Rachel Eng Yaag Ngee | — | — | — | — |
| Yap Chee Keong | — | — | — | — |
| Hsieh Fu Hua | — | 360,000 | 360,000 | 0.04 |
| de Vaz Don Emmanuel Maurice Rosairo | 120,000 | — | 120,000 | 0.01 |
| Arthur Lang Tao Yih | — | — | — | — |

Note:

1. Deemed interests refer to interests determined pursuant to Section 7 of the Companies Act.

| Substantial Shareholder | Direct Interest (Number of Shares) | Deemed Interest (Number of Shares)⁽¹⁾ | Total Interest | Percentage of Total Shares in Issue (%) |
|------------------------------------|---|---|-----------------------|--|
| Singapore Airlines Limited | 322,216,650 | – | 322,216,650 | 32.70 |
| Dahlia Investments Pte. Ltd. | 72,332,550 | – | 72,332,550 | 7.34 |
| Thomson Capital Pte. Ltd. | – | 72,332,550 ⁽²⁾ | 72,332,550 | 7.34 |
| Tembusu Capital Pte. Ltd. | – | 72,332,550 ⁽²⁾ | 72,332,550 | 7.34 |
| Temasek Holdings (Private) Limited | – | 394,551,000 ⁽³⁾ | 394,551,000 | 40.04 |

Notes:

1. Deemed interests refer to interests determined pursuant to Section 7 of the Companies Act.
2. Dahlia Investments Pte. Ltd. is a wholly owned subsidiary of Thomson Capital Pte. Ltd, which is in turn a wholly-owned subsidiary of Tembusu Capital Pte. Ltd. Accordingly, Thomson Capital Pte. Ltd. and Tembusu Capital Pte. Ltd. are, by virtue of Section 7 of the Companies Act, deemed interested in the Shares held by Dahlia Investments Pte. Ltd.
3. Singapore Airlines Limited and Dahlia Investments Pte. Ltd are subsidiaries of Temasek Holdings (Private) Limited. Accordingly, Temasek Holdings (Private) Limited is, by virtue of Section 7 of the Companies Act, deemed interested in the Shares held by Singapore Airlines Limited and Dahlia Investments Pte. Ltd. Temasek Holdings (Private) Limited is also deemed interested in the 1,800 Shares held by its subsidiary, Aranda Investments Pte. Ltd.

4. DIRECTORS' RECOMMENDATIONS AND VOTING

4.1 Directors' Recommendations

Having fully considered the rationale of the proposed renewal of the IPT Mandate, the Directors who are considered independent for the purposes of the IPT Mandate, being Mr. Joseph Yuvaraj Pillay, Ms. Rachel Eng Yaag Ngee, Mr. Po'ad Bin Shaik Abu Bakar Mattar, Mr. Hsieh Fu Hua, Mr. Lee Chong Kwee, Mr. Yap Chee Keong, Mr. Arthur Lang Tao Yih, Mr. de Vaz Don Emanuel Maurice Rosairo and Mr. Koay Peng Yen believe that the IPT Mandate is in the best interest of the Company. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution relating to the IPT Mandate as set out in the notice of AGM.

The remaining Director is Capt. Gerard Yeap Beng Hock who is an employee of the SIA Group and accordingly not considered independent for the purposes of the IPT Mandate.

4.2 Abstention from Voting

In accordance with Rule 920(1)(b)(viii) of the Listing Manual, Interested Persons will abstain and will undertake to ensure that their Associates shall abstain from voting on resolutions approving Interested Person Transactions involving themselves and the Company.

Capt. Gerard Yeap Beng Hock, who is not considered independent for the purposes of the IPT Mandate as mentioned above, has undertaken to ensure that his Associates will abstain from voting on their Shares (if any) at the AGM in respect of the ordinary resolution relating to the proposed renewal of the IPT Mandate. Capt. Yeap does not hold any Shares. Furthermore, such Interested Persons and their Associates shall not act as proxies in relation to such resolutions unless specific instructions as to voting have been given by the Shareholder.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Appendix and confirm that, after making all reasonable enquires 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 IPT 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.

6. DOCUMENT AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected by Shareholders at the registered office of the Company at 17 Changi Business Park Central 1, #04-06/09, Honeywell Building, Singapore 486073 during normal business hours from the date of this Appendix up to and including the date of the AGM:—

- (a) the annual report of the Company for the financial year ended 31 March 2013; and
- (b) the Memorandum and Articles of Association of the Company.

ANNEXURE

SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. Rationale for and Benefits of the IPT Mandate

The IPT Mandate and its subsequent renewal on an annual basis would eliminate the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential Mandated IPTs arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the EAR Group.

The IPT Mandate is intended to facilitate transactions in the normal course of the EAR Group's business which are transacted from time to time with the specified classes of Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.

2. Classes of Mandated Interested Persons

The IPT Mandate will apply to the EAR Group's transactions with the SIA Group and the Temasek Group (the "**Mandated Interested Persons**" and each a "**Mandated Interested Person**", all being "**Interested Persons**"). For the avoidance of doubt, such Mandated Interested Persons would also include such persons who may, during such period while such IPT Mandate is effective, become Mandated Interested Persons where previously they were not so.

Transactions with Mandated Interested Persons which do not fall within the ambit of the IPT Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

3. Mandated IPTs

The transactions with the Mandated Interested Persons which will be covered by the IPT Mandate (the "**Mandated IPTs**") relate to the provision to, or the obtaining from, Mandated Interested Persons of recurrent transactions (such as the purchase and sale of products and services in the normal course of the EAR Group's business) of a revenue or trading nature or which are necessary for the EAR Group's day-to-day operations (but not in respect of the purchase or sale of assets, undertakings or businesses which are not part of the EAR Group's day-to-day operations) comprising the following:

- (a) rental of crew training and crisis management facilities;
- (b) purchase of airline tickets for travel by staff for the EAR Group's business or business-related purposes;
- (c) in-flight catering services;
- (d) provision of security and ground handling services;
- (e) the repair, modification, maintenance, servicing, overhaul, and other engineering and technical services for fleet technical management and inventory technical management relating to aircraft, aircraft engines, equipment, parts and components, and the procurement of parts necessary to carry out such repair, modification, maintenance, servicing and overhaul of aircraft, aircraft engines, equipment, parts and components, and other ancillary services;

- (f) sale of surplus aircraft spares and components;
- (g) provision of services in relation to the use of any airport or airport-related services;
- (h) provision of telecommunications (telephone and Internet) and on-line storage; and
- (i) any other transaction relating to the provision to, or obtaining from or through Mandated Interested Persons, or the joint transacting with Mandated Interested Persons for, products and services related to the EAR Group's principal and ancillary activities in the normal course of the EAR Group's business and on normal commercial terms.

4. Review Procedures

- (a) The Company has established the following procedures to ensure that the Mandated IPTs are undertaken on an arm's length basis and on normal commercial terms, consistent with the EAR Group's usual business practices and policies, which are generally no more favourable to the Mandated Interested Persons than those extended to unrelated third parties ("**Review Procedures**"). In particular, the following Review Procedures have been put in place:

- (i) Provision of Services or the Sale of Products

All contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market rates or prices of the service or product providers, on terms which are no more favourable to the Mandated Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates/prices/discounts accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms.

Where the prevailing market rates or prices are not available due to the nature of service to be provided or the product to be sold, the EAR Group's pricing for such services to be provided or products to be sold to Mandated Interested Persons is determined in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the EAR Group for the same or substantially similar type of contract or transaction with unrelated third parties taking into consideration factors such as, but not limited to, quantity, volume, consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction or the limited resources available to the EAR Group.

- (ii) Obtaining of Services or Purchasing of Products

All purchases made by the EAR Group, including purchases from Mandated Interested Persons are governed by internal control procedures which detail matters such as the constitution of internal approving authorities, their monetary jurisdictions, the number of vendors from whom bids are to be obtained and the review procedures. The guiding principle is to objectively obtain the best goods and/or services on the best terms. Formal quotation exercises are generally conducted for most of the EAR Group's purchases except in the cases of services or products obtained from any Mandated Interested Person who may be the sole provider of such services or products or transactions of value below certain thresholds specified in the internal control procedures. Most invitation for bids will

include detailed terms or a specimen contract to preclude negotiations on the terms of supply after the successful vendor is selected. The terms of supply are contained in a written contract. The Review Procedures require:

- (A) formal quotations to be called if there are two (2) or more known vendors for the item unless this requirement is waived by the Audit Committee in exceptional circumstances. Bids which are received, regardless of whether they are from Mandated Interested Persons or not will be subject to the same evaluation criteria based on price, product quality, delivery schedules, specification compliance, track record, experience and expertise. Preferential rates, rebates or discounts accorded for bulk purchases are also taken into account; and
- (B) where it is not possible or practicable for a formal quotation to be called (for example, where the product is a proprietary item or where the product is required urgently such as an aircraft-on-ground situation or the provider is the sole provider of such product or service), authorised senior management staff who do not have an interest in the transaction will determine whether the price and terms (including but not limited to the provision of incentives or rebates) offered by the Mandated Interested Person are fair and reasonable. This would include taking into account, where known, if similar price and terms are offered to unrelated third parties.

(b) Threshold Limits

In addition to the review procedures, the following approval procedures will be implemented to supplement existing internal control procedures for Mandated IPTs:

- (i) individual transactions equal to or exceeding S\$100,000 but less than S\$1 million in value will be reviewed and approved by the CFO;
- (ii) individual transactions equal to or exceeding S\$1 million but less than S\$5 million in value will be reviewed and approved by the CEO;
- (iii) individual transactions equal to or exceeding S\$5 million but less than S\$30 million in value will be reviewed and approved by the Audit Committee;
- (iv) individual transactions equal to or exceeding S\$30 million in value shall be reviewed and approved by the Directors and the Audit Committee;
- (v) where the aggregate value of all Interested Person Transactions (including the latest Interested Person Transaction to be approved) with the same Mandated Interested Person in the current financial year is equal to or exceeds S\$100,000 but below S\$1 million, the latest and all future Interested Person Transactions equal to or above S\$100,000 but below S\$1 million in value will be reviewed and approved by the CFO;
- (vi) where the aggregate value of all Interested Person Transactions (including the latest Interested Person Transactions to be approved) with the same Mandated Interested Person in the current financial year is equal to or exceeds S\$1 million but below S\$5 million, the latest and all future Interested Person Transactions equal to or above S\$100,000 but below S\$5 million in value will be reviewed and approved by the CEO;

(vii) where the aggregate value of all Interested Person Transactions (including the latest Interested Person Transactions to be approved) with the same Mandated Interested Person in the current financial year is equal to or exceeds S\$5 million but below S\$30 million, the latest and all future Interested Person Transactions equal to or above S\$100,000 but below S\$30 million in value will be reviewed and approved by the Audit Committee; and

(viii) where the aggregate value of all Interested Person Transactions (including the latest Interested Person Transactions to be approved) with the same Mandated Interested Person in the current financial year is equal to or exceeds S\$30 million, the latest and all future Interested Person Transactions equal to or above S\$100,000 in value will be reviewed and approved by the Board and the Audit Committee.

If any person specified above has an interest in a transaction falling within a category of transactions to be reviewed and approved by him, he will abstain from any decision making in respect of that transaction, and such transaction will be reviewed and approved by other persons who are authorised to review and approve that category of transactions, if any, who do not have any interest in that transaction.

If not, the transaction must be approved by the person(s) who has (have) authority for reviewing and approving the immediately following category of transactions in terms of value.

All Interested Person Transactions entered into pursuant to the IPT Mandate shall be tabled to the Audit Committee for information on a quarterly basis.

Individual transactions of a value less than S\$100,000 do not require review and approval and will not be taken into account in the aggregation referred to in sub-paragraphs (v) to (viii) above.

A register will be maintained by the Company to record all Mandated IPTs. The annual internal audit plan will incorporate a review of all Mandated IPTs to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions adhered to.

The Board and the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures to monitor Interested Person Transactions have been complied with.

The Board and the Audit Committee shall have overall responsibility for the determination of the review procedures with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate. If a member of the Board or the Audit Committee has an interest in the transaction to be reviewed by the Board or the Audit Committee, as the case may be, he will abstain from any decision making by the Board or the Audit Committee, as the case may be, in respect of that transaction.

(c) Other Review Procedures

The Company has also implemented the following procedures for the identification of Mandated Interested Persons and the recording of all of the EAR Group's Interested Person Transactions:

- (i) the Company will maintain a register of all transactions carried out with Mandated Interested Persons, whether mandated or non-mandated. The Company's internal audit plan will incorporate a review of all Interested Person Transactions whether mandated or non-mandated; and
- (ii) on a quarterly basis, the Company's internal auditors will submit a report to the Audit Committee of all recorded Interested Person Transactions, and the basis of such transactions, entered into by the EAR Group.

In addition, the Audit Committee will include the review of the EAR Group's Interested Person Transactions as part of its standard procedures while examining the adequacy of the EAR Group's internal controls.

In the event that a member of the Board, a member of the Audit Committee or an authorised reviewing officer (where applicable) has a conflict of interests in relation to any Interested Person Transaction, he will abstain from reviewing that particular transaction. In such instances, an alternative approving authority will be responsible for reviewing the transaction. The Board will also ensure that all disclosure requirements on Interested Person Transactions, including those required by prevailing legislation, the Listing Manual and accounting standards, are complied with. The annual internal audit plan shall incorporate a review of all Interested Person Transactions entered into pursuant to the IPT Mandate.

The Audit Committee shall review the internal audit reports to ascertain whether the guidelines and procedures established to monitor Interested Person Transactions have been complied with. In addition, the Audit Committee shall also review from time to time such guidelines and procedures to determine if they are adequate and/or commercially practicable in ensuring that transactions between the EAR Group and the Mandated Interested Persons are conducted on normal commercial terms. Further, if during these periodic reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and procedures as stated above are not sufficient to ensure that these Interested Person Transactions will be on normal commercial terms and will not be prejudicial to the Company and its minority Shareholders, the Company will (pursuant to Rules 920(1)(b)(iv) and (vii) of the Listing Manual) revert to Shareholders for a fresh mandate based on new guidelines and procedures for transactions with Mandated Interested Persons.

This page has been intentionally left blank.

