

CORPORATE GOVERNANCE STATEMENT

YEAR ENDED 31 DECEMBER 2018

The board of directors of the Company (the "Board" or "Directors") is committed to raising the standard of corporate governance within the Group in order to enhance transparency in the disclosure of material information. The Company confirms that it has adhered to the principles and guidelines of the Code of Corporate Governance 2012 (the "2012 Code") and if there is any deviation from the 2012 Code, appropriate explanations are provided in this Statement on each area of non-compliance.

In addition, the Monetary Authority of Singapore has issued the revised Code of Corporate Governance on 6 August 2018 (the "2018 Code") which applies to annual reports covering financial years commencing from 1 January 2019. The Company has also endeavoured to describe its corporate governance practices with reference to certain key Principles and Provisions of the 2018 Code, notwithstanding that the 2018 Code is not applicable to the year ended 31 December 2018 ("FY2018").

BOARD MATTERS

The Board's Conduct of Affairs (Principle 1 of the 2012 Code)

The Company is headed by an effective Board. The Board is collectively responsible for the long-term success of the Company. The Board works with management to achieve this objective and management remains accountable to the Board.

The Board's role is to:

- (a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- (b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;
- (c) review management performance;
- (d) identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;
- (e) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and
- (f) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

All Directors must objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

In accordance with the 2012 Code, the Board has, without abdicating its responsibility, delegated the authority to make decisions to the Audit and Risk Management Committee, the Nominating Committee and the Remuneration Committee (collectively referred to as the "Board Committees"). Each Board Committee has its own written terms of references to address their respective duties and responsibilities.

The Board held meetings on a regular basis during FY2018 to review, *inter alia*, the Company's and the Group's operations and financial results. Details of attendance of Directors at the Board meetings, Audit and Risk Management Committee meetings, Nominating Committee meetings, and Remuneration Committee meetings are set out on page 26. The Company's Constitution permits Directors to attend meetings through the use of audio-visual communication equipment.

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Written guidelines are established to specify which material transactions require the Board's approval. These transactions include, *inter alia*, material acquisitions and disposal of assets amounting to 5% or more of the relative figures set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") for transactions that are not in the ordinary course of business, share issuances (including stock options or other equity awards), dividends and returns of capital to shareholders.

Newly appointed Directors will receive appropriate training and orientation programmes to familiarise themselves with the operations of the Group and its major business processes.

On the appointment of a new Director, the Company will provide a formal letter to the Director, setting out the Director's duties and obligations.

The Company also funds and arranges for the Directors to receive regular training. In this connection, the Company's external auditors, KPMG LLP, conducted a briefing session for the Board during FY2018 on the latest changes to the financial reporting standards. In addition, briefing sessions were conducted for the Board on the changes to the Listing Manual of the SGX-ST and on the 2018 Code. Various Directors attended seminars and courses organised by the Singapore Institute of Directors ("SID") and other professional organisations, including a seminar on "Remuneration Committee Chairmen's Conversation" organised by SID in conjunction with Willis Towers Watson. Updates on relevant legal, accounting and regulatory developments were provided to Directors in written hand-outs, or by way of briefings and presentations. The Company Secretary also circulates articles, reports and press releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority which are relevant to the Directors.

The Board has no dissenting views on the Chairman's Statement for the year in review.

Board Composition and Guidance (Principle 2 of the 2012 Code)

During FY2018, out of the six Directors, three were non-executive and independent. This is in compliance with the 2012 Code which recommends that independent Directors make up at least half of the Board where the Chairman and the Chief Executive Officer ("CEO") (or equivalent, in our case, the Managing Director) is the same person.

With effect from 1 March 2019, Mr Chan Pengee, Adrian, who is a non-executive independent Director, was appointed as the Chairman of the Board. Also, with effect from 1 March 2019, Mr Cheong Pin Chuan and Mr Cheong Sim Eng, who were the Joint Chairmen of the Board and the Joint Managing Directors of the Company, relinquished their roles as Joint Chairmen of the Board. Mr Cheong Pin Chuan and Mr Cheong Sim Eng are currently the Joint CEOs of the Company.

The independence of each independent Director is reviewed annually by the Nominating Committee based on the provisions relating to independence as set out in the 2012 Code and the Listing Manual of the SGX-ST. The Nominating Committee requires each independent Director to complete and execute a form declaring and affirming his independence and confirming that there exist no conditions that would impair his independence. This declaration of independence is tabled before the Nominating Committee and, if accepted, the Director's independence is then recommended by the Nominating Committee to the Board.

Taking into account the views of the Nominating Committee, the Board is satisfied that Mr Chow Yew Hon, Mr Lim Jun Xiong Steven and Mr Chan Pengee, Adrian are independent in light of the provisions of the 2012 Code and Rule 210(5)(d) of the Listing Manual of the SGX-ST.

In addition, under the 2018 Code, there have been revisions to the description of an "independent" director. In light of this revised description under the 2018 Code, during FY2018, the independent Directors would also be considered independent.

The 2012 Code further requires the independence of any Director who has served on the Board beyond nine years to be rigorously reviewed. None of the current independent Directors has served on the Board for more than nine years since the date of their appointment.

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The Board is of the view that the size of the Board and the Board Committees is appropriate for the needs and demands of the Company's and the Group's operations. The Board comprises business leaders and professionals from different industries and financial backgrounds. The current Board comprises Directors who have diverse qualifications and backgrounds in areas such as law, banking, trusts, finance and business, and includes Directors who are resident in Singapore and Hong Kong. The independent Directors have exposure to the business industry in which the Group operates. The Board's composition enables the management to benefit from a diverse and objective external perspective on issues raised before the Board.

The Company has a Board Diversity Policy to set out its approach to achieve diversity on the Board. In terms of the Board's composition, the Company seeks to have a Board that comprises directors who as a group provide an appropriate balance and have diversity from a number of aspects, including gender, age, professional experience, skills and knowledge. Further details of the Board Diversity Policy are available on the Company's website.

In terms of gender diversity, the Company has one female Director on the Board. The female gender therefore represents approximately 17% of the total Board membership. In terms of Board independence, there are three non-executive independent Directors out of a total of six Directors, hence the independent Directors represent 50% of the total Board membership. In terms of age diversity, two Directors are between the ages of 50 to 59, representing approximately 33% of the total Board membership, and four Directors are between the ages of 60 to 69, representing approximately 67% of the total Board membership.

During FY2018, the non-executive independent Directors constructively challenged and helped the management develop proposals on business strategies for the Company and the Group. The non-executive independent Directors also review the performance of the management in achieving agreed goals and objectives for the Company and the Group, and monitor the reporting of performance.

During FY2018, the non-executive independent Directors met without the presence of the management.

Chairman and Chief Executive Officer (Principle 3 of the 2012 Code)

During FY2018, Mr Cheong Pin Chuan and Mr Cheong Sim Eng were the Joint Chairmen of the Board and Joint Managing Directors of the Company, and they are siblings.

Principle 3 of the 2012 Code provides that there should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power. Guideline 3.1 of the 2012 Code recommends that the Chairman and the CEO should in principle be separate persons, to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The division of responsibilities between the Chairman and the CEO should be clearly established, set out in writing and agreed by the Board. In addition, the Board should disclose the relationship between the Chairman and the CEO if they are immediate family members. Guideline 3.3 of the 2012 Code recommends that where, *inter alia*, the Chairman and the CEO is the same person, or where the Chairman and the CEO are immediate family members, the company should appoint an independent director to be the lead independent director. Guideline 2.2 of the 2012 Code recommends that where, *inter alia*, the Chairman and the CEO is the same person, the independent directors should make up at least half of the Board.

Having Mr Cheong Pin Chuan and Mr Cheong Sim Eng as the Joint Chairmen of the Board and Joint Managing Directors of the Company was a variation from Guideline 3.1 of the 2012 Code. Notwithstanding this, the Company was of the view that the intent of Principle 3 of the 2012 Code was met and there was still a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business, and no one individual represented a considerable concentration of power. Alongside the Joint Chairmen of the Board and Joint Managing Directors of the Company, there was a lead independent Director on the Board, and the Company had several senior key executive officers, some of whom have more than 30 years of experience at management level.

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As the leadership of the Board, the Joint Chairmen brought with them a wealth of experience and led the Board to ensure its effectiveness on all aspects of its role. Prior to each Board meeting, the Joint Chairmen determined the agenda for the meeting and instructed the Company Secretary to disseminate it to all Directors. They led the meeting and ensured full discussion of each agenda item, as appropriate. The Joint Chairmen ensured that Board members engaged the management in constructive debate on various matters including strategic issues. They also oversaw the quality and timeliness of information flow between the management and the Board.

With effect from 1 March 2019, Mr Chan Pengee, Adrian, who is a non-executive independent Director, was appointed as the Chairman of the Board. Also, with effect from 1 March 2019, Mr Cheong Pin Chuan and Mr Cheong Sim Eng, who were the Joint Chairmen of the Board and the Joint Managing Directors of the Company, relinquished their roles as Joint Chairmen of the Board. Mr Cheong Pin Chuan and Mr Cheong Sim Eng are currently the Joint CEOs of the Company.

The 2012 Code recommends that a lead independent director be appointed where the Chairman and the CEO is the same person, or where the Chairman and the CEO are immediate family members. In accordance with this recommendation, Mr Chow Yew Hon had been appointed as the lead independent Director since 1 September 2014. Mr Chow Yew Hon, as the lead independent Director, is available to shareholders where they have concerns and for which contact through the normal channels of the Joint Chairmen, the Joint Managing Directors or the chief financial officer (or equivalent) has failed to resolve or is inappropriate.

During FY2018, led by the lead independent Director, the independent Directors met, without the presence of the other Directors, and the lead independent Director provided feedback to the Joint Chairmen after such meetings.

Board Membership (Principle 4 of the 2012 Code)

Key information on the Directors, such as whether they are executive, non-executive, or considered by the Nominating Committee to be independent, as well as details of their academic and professional qualifications and other particulars are set out on pages 3 and 27.

The members of the nominating committee of the Company (the "Nominating Committee") were Mr Chan Pengee, Adrian (Chairman of the Nominating Committee), Mr Lim Jun Xiong Steven and Mr Chow Yew Hon.

According to the Nominating Committee's written terms of reference, the Nominating Committee's duties and responsibilities are as follows:

- (a) determining annually, and as and when circumstances require, whether a Director is independent, and providing its views to the Board in relation thereto for the Board's consideration;
- (b) reviewing the independence of any Director who has served on the Board for more than nine (9) years from the date of his first appointment and the reasons for considering him as independent;
- (c) where a Director or proposed Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments¹;
- (d) where the appointment of an alternate Director to a Director is proposed, determining whether the alternate Director is familiar with the Company's affairs, appropriately qualified and (in the case of an alternate Director to an independent Director) whether the alternate Director would similarly qualify as an independent Director, and providing its views to the Board in relation thereto for the Board's consideration;

¹ The term "principal commitments" shall include all commitments which involve significant time commitment such as full time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a Director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

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- (e) making recommendations to the Board on relevant matters relating to:
 - (i) the review of board succession plans for Directors, in particular, the Chairman and for the CEO;
 - (ii) the development of a process for evaluation of the performance of the Board, its Board Committees and Directors;
 - (iii) the review of training and professional development programs for the Board; and
 - (iv) the appointment and re-appointment of Directors (including alternate Directors, if applicable);
- (f) proposing objective performance criteria for evaluation of the Board's performance as a whole which allows for comparison with industry peers and address how the Board has enhanced long-term shareholder value;
- (g) carrying out, at least annually, a formal assessment of the performance and effectiveness of the Board as a whole and its Board Committees and (if applicable) the contributions of individual Directors to the effectiveness of the Board, based on the process implemented by the Board; and
- (h) based on the results of the performance evaluation, providing its views and recommendations to the Board, including any appointment of new members.

The Nominating Committee has recommended and the Board has adopted a policy that a Director should not have in aggregate more than six listed company Board representations so as to be able to devote sufficient time and attention to the affairs of the Company. Mr Chan Pengee, Adrian has informed the Nominating Committee and the Board that for one of the listed company Board representations that he has held, on Global Investments Limited, he will not be seeking re-election at the forthcoming annual general meeting of Global Investments Limited in April 2019. Following from the retirement as director of Global Investments Limited by Mr Chan Pengee, Adrian, none of the Directors will exceed the limit on listed company Board representations.

In the view of the Nominating Committee, the Directors have demonstrated their commitment and effectiveness in discharging their duties and responsibilities and avoiding actual or potential conflicts of interest. The Nominating Committee, in assessing the performance of each individual Director, considers whether sufficient time and attention has been given by the Director to the affairs of the Company. It also has regard to the Director's other Board memberships and commitments. The Nominating Committee is satisfied that all Directors have discharged their duties adequately for FY2018.

As at 31 December 2018, there is no alternate director on the Board.

All new appointments and selection of Directors are reviewed and proposed by the Nominating Committee. The Nominating Committee will first identify the knowledge, skills, experience and background of the candidate being considered for appointment to the Board. Suitable candidates for Board membership are then identified through, *inter alia*, recommendations from current Board members, searches conducted by external search consultants or the SID and other referrals. The Nominating Committee and the Board will interview short-listed candidates before discussing and approving the final appointment. For existing Directors who retire and stand for re-election, based on the evaluation of these Directors, the Nominating Committee will make recommendations for the re-nomination of such Directors.

All Directors (including Managing Directors and executive Directors) are subject to retirement in accordance with the provisions of the Company's Constitution whereby one-third of the Directors (or if their number is not three or a multiple of three, the number nearest to but not less than one-third) are required to retire from office by rotation and subject themselves to re-election by shareholders at every annual general meeting of the Company.

After assessing the contribution and performance of the retiring Directors, the Nominating Committee has recommended the re-election of Mr Cheong Pin Chuan and Mr Chow Yew Hon, who will be retiring by rotation at the forthcoming annual general meeting under Regulation 104 of the Company's Constitution. Mr Cheong Pin Chuan and Mr Chow Yew Hon have offered themselves for re-election and the Board has accepted the recommendations of the Nominating Committee. Information relating to these Directors is set out on pages 3, 27 and 28 of the Annual Report, in accordance with Rule 720(6) of the Listing Manual of the SGX-ST.

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In addition, Provision 1.4 of the 2018 Code recommends, *inter alia*, that a summary of the Nominating Committee's activities be disclosed in the annual report. During FY2018, the Nominating Committee reviewed and recommended the re-nomination of Directors who were due for re-election by rotation under the Company's Constitution at the forthcoming annual general meeting, reviewed and determined the independence of the independent Directors, reviewed each individual Directors' board representations and their attendance at meetings, and evaluated the performance and contribution of the Board, Board Committees and individual Directors.

Board Performance (Principle 5 of the 2012 Code)

The Board supervises the management of the business and affairs of the Company and the Group. Apart from its statutory duties, the Board reviews and approves the Company's and the Group's strategic plans, key operational initiatives, major investments and funding decisions, annual business plans, and reviews the financial performance of the Company and the Group and those subsidiary companies or subsidiary corporations whose financial statements are consolidated with the Company's financial statements. The Board also evaluated the performance and compensation of key management personnel.

The Nominating Committee has implemented a process which requires each Director to submit an assessment of the Board and the Board Committees, and a peer assessment of each of the other Directors on the Board to assess the Director's contributions to the effectiveness of the Board. These detailed forms assess Directors in various different areas and competencies, including their attendance and contributions at meetings, preparedness for meetings and their interactive and interpersonal skills. The responses are collated by the external Company Secretary and a consolidated report is submitted to the Nominating Committee. The responses are then discussed by the Nominating Committee for the recommendations to be made to the Board.

As described below, the Remuneration Committee, in consultation with Korn Ferry Hay Group Pte Ltd ("Korn Ferry"), recommended to the Board specific remuneration packages appropriate for each executive Director and the Directors' fees payable to the non-executive independent Directors. During this process, Korn Ferry and the Remuneration Committee assessed the contributions and performance of each Director in addition to considering other relevant factors.

Access to Information (Principle 6 of the 2012 Code)

The Board has separate and independent access to management and the Company Secretary, and is free to request for additional information as needed to make informed decisions. Management provides the Board with complete, adequate and timely information prior to meetings and on an on-going basis, including reports of the performance, financial position and prospects of the Group and those subsidiary companies or subsidiary corporations whose financial statements are consolidated with the Company's financial statements, and these are reviewed by the Board at each Board meeting. Monthly management accounts of the Company and its key subsidiaries are also provided to the Directors. Directors may obtain independent professional advice in furtherance of their duties, at the Company's and the Group's expense.

The role of the Company Secretary is clearly defined which includes, *inter alia*, ensuring that board procedures are followed and that applicable rules and regulations are complied with.

Under the direction of the Joint Chairmen, the Company Secretary ensured good information flows within the Board and its Board Committees and between management and non-executive independent Directors.

During FY2018, the Company Secretary attended all meetings of the Board.

The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

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REMUNERATION MATTERS (Principles 7, 8 and 9 of the 2012 Code)

The members of the remuneration committee (the "Remuneration Committee") were Mr Chow Yew Hon (Chairman of the Remuneration Committee), Mr Lim Jun Xiong Steven and Mr Chan Pengee, Adrian.

According to the Remuneration Committee's written terms of reference, the Remuneration Committee's principal functions are as follows:

- (a) reviewing and recommending to the Board, a general framework of remuneration for the Directors and key management personnel²;
- (b) reviewing and recommending annually to the Board, the specific remuneration packages for each Director as well as for the key management personnel, and in its review, to cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind;
- (c) reviewing annually the remuneration of employees who are immediate family members³ of a Director or CEO whose remuneration exceeds \$50,000 during the year;
- (d) reviewing the Company's obligations arising in the event of termination of the executive Directors and key management personnel's contracts of service;
- (e) ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants; and
- (f) reviewing whether executive Directors, non-executive and independent Directors and key management personnel should be eligible for options, share incentives, awards and other benefits under any one or more employee share option scheme, share-incentive or award scheme from time to time established or implemented by the Company.

In addition, Provision 1.4 of the 2018 Code recommends, *inter alia*, that a summary of the Remuneration Committee's activities be disclosed in the annual report. During FY2018, the Remuneration Committee reviewed and recommended the remuneration of the executive Directors and key management personnel, recommended the non-executive independent Directors' fees for FY2018 and recommended the re-appointment of Korn Ferry as the Company's remuneration consultant.

The Group's remuneration policy is to provide remuneration packages which will reward, retain and motivate its executives and Directors. During FY2018, Korn Ferry was the remuneration consultant of the Company. The Company does not have any relationship with Korn Ferry that could affect Korn Ferry's independence and objectivity.

The Remuneration Committee, with the advice of Korn Ferry, recommends to the Board specific remuneration packages appropriate for each executive Director and the Directors' fees payable to the non-executive independent Directors, as well as the specific remuneration packages for the key management personnel. The Board will then review and, if it deems fit, approve these accordingly.

² "Key management personnel" shall mean the CEO and any other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

³ An "immediate family member" refers to spouse, child, adopted child, step-child, brother, sister and parent.

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The Company adopts a remuneration policy for executive Directors and key management personnel comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Group and each individual's performance which is assessed based on the respective key performance indicators allocated to him. The key performance indicators include the Company's profitability and other financial and operational indicators as determined by the Board. Staff appraisals are conducted once a year. The executive Directors do not receive Directors' fees. The corporate and individual performance-related elements of remuneration are designed to align the interests of executive Directors with those of shareholders in order to promote the long term success of the Company. The executive Directors and key management personnel had met their respective key performance indicators in respect of FY2018. No Director or member of the Remuneration Committee is involved in deciding his or her own remuneration.

In reviewing the remuneration of non-executive independent Directors, the Remuneration Committee and Korn Ferry have taken into consideration the knowledge and expertise of each individual non-executive independent Director, the responsibilities vested upon them and the time commitment required from the non-executive independent Directors given the complexities of the business and the business structure.

The Company currently does not have contractual provisions to allow the Company to reclaim incentive components of remuneration from executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Company shall consider the said contractual provisions to be included in future renewals of service contracts as recommended by the 2012 Code. Save as aforesaid, the Company reserves the rights to employ legal recourse should any Director and/or key management personnel wilfully and negligently engage in any misconduct.

Principle 9 of the 2012 Code states that the company's annual report should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration. The company's annual report should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance. Guideline 9.2 of the 2012 Code recommends, *inter alia*, that the company fully disclose the remuneration of each individual Director and the CEO on a named basis. For FY2018, the Company wishes to disclose the fees payable to each of the non-executive independent Directors on a named basis, and the remuneration of the executive Directors in bands of \$250,000. In relation to the executive Directors, this is a variation from Guideline 9.2 of the 2012 Code. Notwithstanding this, the Company is of the view that the intent of Principle 9 is met as the remuneration policies and the procedure for setting remuneration applicable to the executive Directors are described above, and the level and mix of remuneration is disclosed in the table below.

As the Remuneration Committee and the Board are of the opinion that the remuneration packages of the executive Directors are of a confidential and sensitive nature, the disclosure of which would place the Group in a competitively disadvantageous position, they have chosen to make disclosures in relation thereto in bands of \$250,000.

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The level and mix of the executive Directors' remuneration in bands of \$250,000 for FY2018 and the total fees payable to the non-executive independent Directors are set out below:

Remuneration Band Name of Executive Director	Salary %	Fees %	Bonus %	Other Benefits ⁴ %	Total %
\$3,500,000 to \$3,749,999					
Ms Cheong Hooi Kheng ⁽¹⁾	37	–	60	3	100
\$3,750,000 to \$4,749,999					
–					
\$4,750,000 to \$4,999,999					
Mr Cheong Pin Chuan ⁽¹⁾	29	–	59	12	100
\$5,000,000 to \$5,249,999					
Mr Cheong Sim Eng ⁽¹⁾	40	–	54	6	100

Name of Non-executive Independent Director	Salary \$	Fees \$	Bonus \$	Other Benefits ⁴ \$
Mr Chow Yew Hon	–	95,000	–	–
Mr Lim Jun Xiong Steven	–	87,500	–	–
Mr Chan Pengee, Adrian	–	85,000	–	–

⁽¹⁾ The remuneration reflected in this table includes the remuneration given by those subsidiary companies or subsidiary corporations whose financial statements are consolidated with the Company's financial statements, aggregated together with the remuneration given by the Company.

The structure of the fees paid or payable to non-executive independent Directors of the Company for FY2018 is as follows:

Type of Appointment	Fee Per Annum (\$)
Board of Directors	
Basic retainer	40,000
Lead Independent Director	10,000
Audit and Risk Management Committee	
Chairman	26,500
Member	13,000
Nominating Committee	
Chairman	21,500
Member	10,500
Remuneration Committee	
Chairman	21,500
Member	10,500

⁴ There are no termination, retirement and post-employment benefits granted to Directors or the CEO.

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The level and mix of the remuneration of the key management personnel who are not Directors or the CEO (or equivalent) for FY2018 are set out in bands of \$250,000 below:

Remuneration Band Designation of Executive	Salary %	Fees %	Bonus %	Other Benefits ⁵ %	Total %
Below \$250,000					
Vice President (Property Management)	75	–	21	4	100
\$250,000 to \$499,999					
Director – Business Development of Hong Fok Land International Limited (“HFLIL”) ⁶	65	–	7	28	100
Vice President (Projects)	74	–	20	6	100
Vice President (Accounts and Finance)/ Company Secretary	73	–	26	1	100
Vice President (Marketing)	68	–	24	8	100
\$500,000 to \$749,999					
Director – Project Development of HFLIL ⁶	41	–	3	56	100
Director – Finance Division of HFLIL ⁶	48	–	4	48	100
\$750,000 to \$999,999					
–	–	–	–	–	–
\$1,000,000 to \$1,249,999					
Vice President (Administration and Personnel) and Senior Manager of HFLIL ⁶	82	–	15	3	100

The aggregate amount of the total remuneration paid to the above eight key management personnel was approximately \$4,013,000.

Remuneration Packages of Employees who are Immediate Family Members of the Directors, or CEO of the Company

Certain employees, namely, (a) Ms Cheong Puay Kheng, the Vice President (Administration and Personnel), the Senior Manager of HFLIL, (b) Mr Cheong Tze Hong, Marc, the Director – Finance Division of HFLIL, and (c) Mr Cheong Tze Hian, Howard, the Director – Project Development of HFLIL, were employees of the Group whose remuneration exceeded \$50,000 each during the financial year who are immediate family members of Mr Cheong Pin Chuan, Ms Cheong Hooi Kheng and Mr Cheong Sim Eng, who were Directors of the Company for FY2018. Ms Cheong Puay Kheng is a sibling of Mr Cheong Pin Chuan, Ms Cheong Hooi Kheng and Mr Cheong Sim Eng. Mr Cheong Tze Hong, Marc and Mr Cheong Tze Hian, Howard, are the sons of Mr Cheong Pin Chuan and the nephews of Ms Cheong Hooi Kheng and Mr Cheong Sim Eng. In addition, for FY2018, Mr Cheong Pin Chuan, Ms Cheong Hooi Kheng and Mr Cheong Sim Eng, who are siblings, were employees of the Group.

Guideline 9.4 of the 2012 Code recommends, *inter alia*, that the annual remuneration report should disclose the details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds \$50,000 during the year. The disclosure should be in incremental bands of \$50,000. In relation to the employees who are immediate family members of the Directors or CEO of the Company, the disclosure of the remuneration packages of these employees described above in bands of \$250,000, as opposed to bands of \$50,000, is a variation from Guideline 9.4 of the 2012 Code. Notwithstanding this, the Company is of the view that the intent of Principle 9 of the 2012 Code is met as the employees are in senior positions and considered as key management personnel, hence the disclosure made in bands of \$250,000 would be meaningful to investors as to the level of remuneration paid to these employees.

⁵ There are no termination, retirement and post-employment benefits granted to the key management personnel.

⁶ The accounts of the HFLIL Group have been consolidated into the accounts of the Group for FY2018 for accounting purposes.

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The Company believes that the disclosure of the detailed remuneration packages of employees, including those who are immediate family members of the Directors or the CEO (or equivalent) of the Company would be prejudicial to the Company's interests and hamper its ability to retain and nurture the Group's talent pool and hence have chosen to make disclosures in relation thereto in bands of \$250,000 (instead of in incremental bands of \$50,000).

Information of the key executive officers is set out on page 4.

The Company does not have any employee share option scheme.

ACCOUNTABILITY AND AUDIT (Principles 10, 11, 12 and 13 of the 2012 Code)

Accountability for Accurate Information

The Board's responsibility to provide a balanced and understandable assessment of the company's performance, position and prospects extends to interim and other price sensitive public reports, and reports to regulators (if required).

Compliance with Legislative and Regulatory Requirements

The Board takes adequate steps to ensure compliance with legislative and regulatory requirements, including requirements under the listing rules of the securities exchange, for instance, by establishing written policies where appropriate. Briefing sessions were conducted for the Board on the changes to the Listing Manual of the SGX-ST and on the 2018 Code.

Audit and Risk Management Committee

The members of the audit and risk management committee (the "Audit and Risk Management Committee") were Mr Lim Jun Xiong Steven (Chairman of the Audit and Risk Management Committee), Mr Chow Yew Hon and Mr Chan Pengee, Adrian. The members of the Audit and Risk Management Committee (including the Chairman) possess recent and relevant accounting or related financial management expertise or experience.

The Audit and Risk Management Committee had full access to and co-operation of the management. The Audit and Risk Management Committee also had discretion to invite any Director or executive officer to attend its meetings and was assured of adequate resources to enable it to discharge its functions properly. KPMG LLP (an accounting firm registered with the Accounting and Corporate Regulatory Authority of Singapore), the Company's external auditors had unrestricted access to the Audit and Risk Management Committee.

The Audit and Risk Management Committee was satisfied that the Company's external auditors and the audit engagement partner assigned to the audit had adequate resources and experience to meet its audit obligations. In this connection, the Company has complied with Rule 712 of the Listing Manual of the SGX-ST.

According to the Audit and Risk Management Committee's written terms of reference, the Audit and Risk Management Committee's duties and responsibilities include:

- (a) reviewing the audit plan, scope and results of the external audit and its cost effectiveness;
- (b) reviewing the independence and objectivity of the external auditors annually. Where the auditors also supply a substantial volume of non-audit services to the Company, the Committee shall keep under review the nature and extent of such services, seeking to maintain objectivity;
- (c) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (d) reviewing the quarterly and annual financial statements and financial announcements;
- (e) reviewing and reporting to the Board, at least annually, the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls (such review can be carried out internally or with the assistance of any competent third parties);

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- (f) reviewing the results of the internal auditors' examination of the Group's system of internal controls;
- (g) monitoring the establishment, appointments, staffing, qualifications and experience of the Company's internal audit function, including approval of the appointment and compensation terms of the head of the internal audit function, review of whether the internal audit function is adequately resourced, is independent of the activities it audits, and has appropriate standing within the Company. The internal audit function can either be in-house, outsourced to a reputable accounting/auditing firm, or performed by a major shareholder, holding company, parent company or controlling enterprise with an internal audit staff;
- (h) reviewing, at least annually, the adequacy and effectiveness of the Company's internal audit function;
- (i) meeting with the external auditors, and with the internal auditors, in each case without the presence of the Company's management, at least annually;
- (j) making recommendations to the Board on proposal to shareholders on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;
- (k) reviewing policies and arrangements by which staff of the Company may, in confidence, raise concerns about any possible improprieties in matters of financial reporting or other matters and ensuring that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow up action to be taken;
- (l) reviewing any matters relating to suspected fraud or irregularity, or suspected infringement of any Singapore laws, or regulations or rules of the SGX-ST or any regulatory authority in Singapore, of which the Committee is aware, which has or is likely to have a material impact on the Company's or Group's operating results and/or financial position, and the findings of any internal investigations, and management's response thereto;
- (m) in addition to any requirements under the Listing Manual of the SGX-ST, reviewing, at least annually, any interested person transactions⁷;
- (n) determining and recommending to the Board for its approval, the nature and extent of significant risks in achieving the Board's strategic objectives;
- (o) determining the Company's level of risk tolerance and risk policies, and overseeing management in the design, implementation and monitoring of the Company's risk management and internal control systems;
- (p) advising the Board on the Company's overall risk appetite, tolerance and strategy;
- (q) overseeing and advising the Board on the current risk exposures and future risk strategy of the Company;
- (r) in relation to risk assessment:
 - (i) keeping under review the Company's overall risk assessment processes that inform the Board's decision making;
 - (ii) reviewing regularly and approving the parameters used in these measures and the methodology adopted; and
 - (iii) setting a process for the accurate and timely monitoring of large exposures and certain risk types of critical importance;

⁷ An "interested person" means: (i) a director, chief executive officer, or controlling shareholder of the Company; or (ii) an associate of any such director, chief executive officer, or controlling shareholder. An "interested person transaction" means a transaction between the Company, any of its subsidiaries, or associated companies provided the Company or the Company and its interested person(s) have control over the associate company, and an interested person.

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- (s) reviewing the Company's capability to identify and manage new risk types;
- (t) before a decision to proceed is taken by the Board, advising the Board on proposed strategic transactions, focusing in particular on risk aspects and implications for the risk tolerance of the Company, and taking independent external advice where appropriate and available;
- (u) reviewing reports on any material breaches of risk limits and the adequacy of proposed action;
- (v) reviewing the effectiveness of the Company's internal controls and risk management systems, and reviewing and approving the statements to be included in the annual report concerning the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management systems;
- (w) providing advice to the Remuneration Committee on risk weightings to be applied to performance objectives incorporated in executive remuneration;
- (x) monitoring the independence of risk management functions throughout the organisation;
- (y) reviewing promptly all relevant risk reports on the Company; and
- (z) reviewing and monitoring management's responsiveness to the findings.

To enable the Audit and Risk Management Committee to discharge its functions more effectively, the Company outsourced its internal audit function to Deloitte & Touche Enterprise Risk Services Pte Ltd, a reputable international accounting firm which is not the external auditors. The internal audit was carried out in accordance with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, which is a standard set by nationally or internationally recognised professional bodies.

The internal audit process includes, *inter alia*, the identification of key risk areas and a consideration of the controls managing such risks.

The internal audit function reports directly to the Audit and Risk Management Committee, which decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including access to the Audit and Risk Management Committee. The internal audit function has appropriate standing within the Company. The Audit and Risk Management Committee reviewed and approved the internal audit plan for execution. During FY2018, the Audit and Risk Management Committee met with the internal auditors and external auditors, in each case without the presence of management. The Audit and Risk Management Committee was satisfied that the internal audit function was independent, effective and adequately resourced.

The Board acknowledges that it oversees management in the design, implementation and monitoring of the risk management and internal controls systems and is responsible for the overall internal controls and risk management framework, but recognises that no cost effective internal controls and risk management systems will preclude all errors and irregularities, as the systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The Directors regularly review the effectiveness and adequacy of all internal controls, including financial, operational, compliance and information technology controls, and risk management systems.

The Board recognises the importance of maintaining a sound system of internal controls (including financial, operational, compliance and information technology controls) and risk management systems to safeguard the shareholders' investments and assets of the Company and the Group. The Audit and Risk Management Committee has been assigned to oversee and review the effectiveness and adequacy of these controls and risk management systems at least annually.

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In FY2018, the Group with the assistance of its internal auditors carried out an exercise to review the Group's risk register which identified the key risks facing the Group and the internal controls and risk management systems in place to manage or mitigate those risks. Internal and external auditors conducted audits that involve testing the effectiveness of the material internal controls systems in the Group. Any material non-compliance or lapses in internal controls together with corrective measures recommended by internal and external auditors were reported to the Audit and Risk Management Committee. The Audit and Risk Management Committee also reviewed the effectiveness of the measures taken by management in response to the recommendations made by the internal and external auditors. The systems of internal controls and risk management are continually being refined by management, the Audit and Risk Management Committee and the Board.

In FY2018, the Group established an Enterprise Risk Management ("ERM") framework to enable the Group to apply a systematic approach to effectively identify, assess, manage, monitor and review the Group's risks, including financial, operational, compliance and information technology controls. To promote risk awareness among employees at all levels, the Group has put in place an ERM policy that elaborates on the ERM framework, process and governance. The Board considers the risk appetite of the Group in the context of its primary operating sectors, the regulatory environment, its risk culture and its key strategic objectives. The Audit and Risk Management Committee determines and advises the Board on the nature and extent of significant risks in achieving the Board's strategic objectives, and determines and recommends the Group's risk appetite and strategy.

The Audit and Risk Management Committee reviewed the volume of non-audit services to the Company and the Group by the Company's external auditors and was satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the external auditors. Hence, the Audit and Risk Management Committee has recommended to the Board that the auditors, KPMG LLP, be nominated for re-appointment as the Company's external auditors at the forthcoming annual general meeting of the Company.

The Board and the Audit and Risk Management Committee reviewed the appointment of different auditors for its subsidiaries and significant associates and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group. Accordingly, the Company has complied with Rule 716 of the Listing Manual of the SGX-ST.

The audit and non-audit fees paid/payable to auditors are stated in Note 25 (Profit/(Loss) Before Tax) to the Financial Statements.

Based on the work carried out by the internal auditors, the external auditors and the existing management controls in place, the Board was satisfied that there were adequate and effective internal controls (including financial, operational, compliance and information technology controls) and risk management systems. The Audit and Risk Management Committee concurs with the Board's comment. The Board, together with the Audit and Risk Management Committee and management, will continue to enhance and improve the existing internal controls framework to identify and mitigate these risks.

The Board has also received assurance from the Joint Managing Directors and the Vice President (Accounts and Finance) that the financial records have been properly maintained and the financial statements give a true and fair view of the operations and finances of the Group and those subsidiary companies or subsidiary corporations whose financial statements are consolidated with the Company's financial statements, and regarding the effectiveness of the Group's risk management and internal controls systems.

The Company has a Whistle-Blowing Policy which provides a mechanism for staff of the Group in Singapore to in confidence, raise concerns about fraud and other possible improprieties in matters of financial reporting or other matters. The Whistle-Blowing Policy has a well-defined process which begins with a complaint being submitted via email to the Chairman of the Audit and Risk Management Committee, who will then perform a preliminary review of the complaint received. If he determines that the complaint is valid and within the scope of the Whistle-Blowing Policy, he will report it to the Audit and Risk Management Committee accordingly, which will review the facts of the complaint and follow-up with the appropriate course of action. The Company's Whistle-Blowing Policy provides assurance that employees will be protected from reprisals for whistle blowing in good faith. Anonymous complaints are not disregarded and will also be investigated. No whistle blowing report was received in FY2018. The details of the Whistle-Blowing Policy are available on the Company's website.

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The Company has an Anti-corruption and Anti-money Laundering Policy to demonstrate its commitment to conducting its business with integrity, and in compliance with all applicable laws and regulations relating to the prevention of corruption, bribery, money laundering and terrorism financing. The details of the Anti-corruption and Anti-money Laundering Policy are available on the Company's website.

The Audit and Risk Management Committee performs the functions specified in Section 201B of the Companies Act, Chapter 50 (the "Act"), the Listing Manual of the SGX-ST and the 2012 Code. The Audit and Risk Management Committee met eight times during FY2018. The Audit and Risk Management Committee also meets with the management, the Vice President (Accounts and Finance) and external auditors to discuss and keep abreast of any changes to the accounting standards and issues which could have a direct impact on the Company's or the Group's financial statements.

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the Audit and Risk Management Committee.

COMMUNICATION WITH SHAREHOLDERS (Principles 14, 15 and 16 of the 2012 Code)

The Company is committed to treating all shareholders fairly and equitably, and would recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements. The Company ensures that timely and adequate disclosure of information on matters of material impact on the Company and the Group are made to the shareholders. Any such information, should they arise, are communicated to the shareholders through the Company's annual reports and announcements to the SGX-ST. Where there is inadvertent disclosure made to a select group, the Company will make the same disclosure publicly to all others as promptly as possible.

Shareholders are encouraged to attend the annual general meetings and extraordinary general meetings of the Company to ensure a high level of accountability and to stay apprised of the Group's strategy and goals. At the annual general meeting, the shareholders are given an opportunity to air their views and ask questions regarding the Company and the Group. The Board and management are present at the annual general meetings to address any questions that the shareholders may have. The external auditors of the Company are also present to assist the Board in addressing relevant queries by the shareholders.

Shareholders have the opportunity to vote in person or by proxy, and would also be informed of the rules, including voting procedures that govern general meetings of shareholders. Guideline 16.1 of the 2012 Code recommends that the company make the appropriate provisions in its constitution to allow for absentia voting at general meetings of shareholders. Voting in absentia by mail, facsimile or email, is currently not permitted by the Company's Constitution. This is a variation from Guideline 16.1 of the 2012 Code. Notwithstanding this, the Company is of the view that the intent of Principle 16 is still met as the existing arrangement whereby shareholders have the opportunity to vote by proxy is adequately effective in enabling shareholders to exercise their rights and have the opportunity to vote. Also, to allow voting in absentia by mail, facsimile or email would require careful consideration of various factors, including the integrity of information and authentication of the identity of shareholders.

All resolutions at the annual general meeting are put to the vote by way of poll and the detailed results of the voting for each of the resolutions are announced on the SGX-ST. The Board ensures that separate resolutions are proposed for approval on each distinct issue at general meetings. The Company Secretary prepares minutes of general meetings that includes a summary of comments or queries made by shareholders during that meeting, and responses from the Board. Generally, during general meetings, shareholders are invited to raise questions, and this would be recorded in the minutes, which would be provided to shareholders upon their request made in accordance with the Act.

The Company believes in regular, effective and fair communication with the shareholders. The Company's website is at www.hongfok.com.sg. The Company's latest annual reports, financial results, corporate announcements and share trading information are available on the Company's website. The Company also provides an email alert service so that shareholders and investors may be automatically alerted by email once the Company releases any announcements or filings on the SGX-ST.

The Company has an Investor Relations Policy to demonstrate its commitment to promoting regular, effective and fair communication with its shareholders to disclose material or pertinent information in a timely, transparent and accurate manner. The details of the Investor Relations Policy are available on the Company's website.

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The Company's dividend policy is to distribute dividends based on the Company's performance, taking into consideration the resources needed for the Company's continuing operations and possible future plans. The declaration and payment of any dividends will be recommended by the Directors and the final dividend (if any) will be subject to the approval of the shareholders.

ENGAGEMENT WITH STAKEHOLDERS

Principle 13 of the 2018 Code requires the Board to adopt an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

In this connection, the Company has considered and sought to balance the needs and interests of material stakeholders. Details of the Company's engagement with stakeholders are set out on page 34, in the Company's Sustainability Report.

INTERESTED PERSON TRANSACTIONS

During FY2018, there were no interested person transactions (excluding transactions less than \$100,000) entered into by the Group. The Company does not have a shareholders' mandate for interested person transactions ("IPTs") pursuant to Rule 920 of the Listing Manual of the SGX-ST.

The Company has a Conflict of Interests and Interested Person Transaction Policy which aims to provide guidance to Directors to help them recognise and deal with conflict of interests and to set out the Company's internal procedures and guidelines to identify, report and where necessary, seek appropriate approval of IPTs in order to comply with the Listing Manual of the SGX-ST. Under this policy, Directors should recuse themselves and refrain from participating in discussions regarding a transaction or proposed transaction in which the Director has an interest or is conflicted. This policy also requires the personnel involved in the proposed IPTs to endeavour to ensure that the IPTs are conducted fairly, on an arm's length basis, on normal commercial terms, and are not prejudicial to the interests of the Company and its minority shareholders.

The details of the Conflict of Interests and Interested Person Transaction Policy are available on the Company's website.

MATERIAL CONTRACTS

Save for the IPTs disclosed in Note 32 (Related Parties) to the Financial Statements, there were no other material contracts of the Company or its subsidiaries involving the interests of the chief executive officer, each Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

SECURITIES TRANSACTIONS

The Company has adopted the Hong Fok Corporation Limited Best Practices Guide (Dealings in Company's Securities) (the "Guide"). The Guide sets out, *inter alia*, the restrictions on insider trading under the Securities and Futures Act, Chapter 289, the implications of insider trading as well as guidelines on dealings in securities. In addition, the Guide further elaborates that an officer of the Company should not deal in the securities of the Company on short-term considerations and the Company and its officers should not deal in the securities of the Company during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if required to announce quarterly financial statements). The Guide also provides as a policy that non-executive independent Directors should not sell securities (including stock) of the Company prior to leaving the Company if they hold any such securities (including stock) of the Company. The details of the Guide are available on the Company's website.

CORPORATE SOCIAL RESPONSIBILITY

The Group is aware of the effects of its operations and the role it plays in preserving the environment. The Group strives to encourage a more environmentally responsible culture, and has adopted various measures. During FY2018, the measures that were already in place included the use of LED lights for the roof terrace and office lobby, and the use of paint materials that are environmentally preferred as opposed to those that are not. The central air conditioning system in International Building was replaced with environmentally friendly ones that consume less energy. The Group also issues circulars to encourage the tenants of The Concourse and International Building to be environmentally friendly, including engaging in paper recycling and reducing the unnecessary use of paper.

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The Concourse was admitted into the Skyrise Greenery Incentive Scheme introduced by the National Parks Board.

The Building and Construction Authority has awarded the BCA Green Mark Platinum award for The Concourse, the BCA Green Mark Gold Plus award for International Building and the BCA Green Mark Gold award for YOTEL Singapore Orchard Road.

The Group is committed to continue identifying opportunities to contribute to environmental sustainability.

In addition, Provision 1.1 of the 2018 Code recommends that the Board put in place a code of conduct and ethics. The Company has a Code of Conduct to set out the general principles and standards of behaviour that the Company expects from its employees in their dealings with fellow employees, customers, suppliers and business partners. The details of the Code of Conduct are available on the Company's website.

DIRECTORS' ATTENDANCE AT BOARD, AUDIT AND RISK MANAGEMENT COMMITTEE, NOMINATING COMMITTEE AND REMUNERATION COMMITTEE MEETINGS FOR FY2018

	Board		Audit and Risk Management Committee	
	No. of Meetings ⁽¹⁾	Attendance	No. of Meetings ⁽¹⁾	Attendance
Executive Directors				
Mr Cheong Pin Chuan ⁽²⁾	4	4	N.A.	N.A.
Mr Cheong Sim Eng	4	4	N.A.	N.A.
Ms Cheong Hooi Kheng	4	4	N.A.	N.A.
Non-Executive Independent Directors				
Mr Chan Pengee, Adrian	4	4	8	8
Mr Chow Yew Hon	4	4	8	8
Mr Lim Jun Xiong Steven	4	4	8	8
	Nominating Committee		Remuneration Committee	
	No. of Meetings ⁽¹⁾	Attendance	No. of Meetings ⁽¹⁾	Attendance
Non-Executive Independent Directors				
Mr Chan Pengee, Adrian	2	2	2	2
Mr Chow Yew Hon	2	2	2	2
Mr Lim Jun Xiong Steven	2	2	2	2

⁽¹⁾ This refers to the number of meetings held during FY2018. In addition to these meetings, operational matters that require the Board or Audit and Risk Management Committee, Nominating Committee or Remuneration Committee's attention are also dealt with via circular resolutions.

⁽²⁾ Mr Cheong Pin Chuan, who is working in Hong Kong, generally participates in meetings via teleconference.

N.A.: Not applicable

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INFORMATION OF THE DIRECTORS

Name of Director	Age	Academic and Professional Qualifications	Board Committees Served on as Chairman or Member	Directorship: Date First Appointed	Directorship: Date Last Re-elected
Mr Cheong Pin Chuan	69	Graduate of the Footscray Institute of Technology in Australia Member of the Australian Society of Certified Practising Accountants and the Hong Kong Institute of Certified Public Accountants	–	26 July 1971	29 April 2016
Mr Cheong Sim Eng	58	Bachelor of Arts	–	14 May 1990	28 April 2017
Ms Cheong Hooi Kheng	66	Bachelor of Science Master of Business Administration	–	1 March 1989	28 April 2017
Mr Chow Yew Hon	68	Bachelor of Business Administration (Honours) Completed the Pacific Rim Bankers' Programme in the United States of America	Chairman of Remuneration Committee, and member of Audit and Risk Management Committee and Nominating Committee	1 April 2013	29 April 2016
Mr Lim Jun Xiong Steven	63	Bachelor of Commerce Fellow member of the CPA Australia and the Institute of Singapore Chartered Accountants Member of the Society of Trust and Estate Practitioners	Chairman of Audit and Risk Management Committee, and member of Nominating Committee and Remuneration Committee	25 July 2014	30 April 2018
Mr Chan Pengee, Adrian	54	Bachelor of Laws Member of the Singapore Academy of Law	Chairman of Nominating Committee, and member of Audit and Risk Management Committee and Remuneration Committee	1 January 2015	30 April 2018

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ADDITIONAL INFORMATION RELATING TO DIRECTORS WHO ARE PROPOSED TO BE RE-ELECTED TO THE BOARD

Name of Director	Country of Principal Residence	Any Relationship (including Immediate Family Relationships) with any Existing Director, Existing Executive Officer, the Issuer and/or Substantial Shareholder of the Listed Issuer or of any of its Principal Subsidiaries	Conflict of Interest (including any Competing Business)	Undertaking (in the Format set out in Appendix 7.7) under Rule 720(1)
Mr Cheong Pin Chuan	Hong Kong Special Administrative Region	<p>Brother of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company.</p> <p>Brother of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Brother of Ms Cheong Hooi Kheng, who is a Director of the Company.</p> <p>Brother of Ms Cheong Puay Kheng, who is a key executive officer of the Company and HFLIL, which is also a Substantial Shareholder of the Company.</p> <p>Father of Mr Cheong Tze Hong, Marc, and Mr Cheong Tze Hian, Howard, who are key executive officers of HFLIL, which is also a Substantial Shareholder of the Company.</p> <p>Director of HFLIL, which is also a Substantial Shareholder of the Company, and immediate family member of shareholders of HFLIL holding less than 1% of the shares in HFLIL.</p>	No	Submitted to the Company
Mr Chow Yew Hon	Hong Kong Special Administrative Region	No	No	Submitted to the Company

Information relating to the Directors who are proposed to be re-elected to the Board is also set out on pages 3 and 27 of the Annual Report.

The Board's comments on the re-appointment of Mr Cheong Pin Chuan and Mr Chow Yew Hon (including rationale, selection criteria, and the search and nomination process, as applicable) are set out on page 14 of the Annual Report. The shareholding interest of Mr Cheong Pin Chuan and Mr Chow Yew Hon in the Company and its subsidiaries is set out on pages 45 and 46 of the Annual Report.

Mr Cheong Pin Chuan and Mr Chow Yew Hon have individually confirmed that on each of the questions as set out in paragraphs (a) to (k) of Appendix 7.4.1 of the Listing Manual of the SGX-ST, the answer is "no".