

**SCHEDULE 2: PART I**  
**PARAGRAPH 11.04**  
**MINIMUM CONTENT OF INDEPENDENT ADVICE CIRCULAR FOR**  
**TAKE-OVER OFFER**

Except with the consent of the SC, the independent advice circular must include the following information:

**Views of the independent adviser**

1. Whether the independent adviser recommends that shareholders accept or reject the takeover offer made by the offeror based on the fairness and reasonableness of the takeover offer. The recommendation must be made based on the parameters provided under Part III of this Schedule.

**Views of the independent adviser on the offeror's plans for the company and its employees**

2. Where relevant, the independent adviser should comment on statements regarding the offeror's intentions with respect to the offeree company and its employees made pursuant to paragraphs 5 and 6 of Schedule 1.

**Holdings and dealings**

3.
  - (a) The holdings of voting shares and convertible securities (collectively referred to as "relevant securities") of the offeree in the offeror;
  - (b) The holdings of the relevant securities in–
    - (i) the offeree; and
    - (ii) the offeror,in which directors of the offeree are interested;
  - (c) The holdings of the relevant securities in–
    - (i) the offeree; and
    - (ii) the offeror in the case of a securities exchange offer,owned or controlled by the independent adviser to the offeree company or by funds whose investments are managed by the adviser on a discretionary basis;
  - (d) The holdings of the relevant securities in–
    - (i) the offeree; and

- (ii) the offeror in the case of a securities exchange offer,  
by the person with whom the offeree or any person acting in concert has any arrangement of the kind referred to in Note 3 to paragraph 19.04;
- (e) The holdings of the relevant securities in–
  - (i) the offeree; and
  - (ii) the offeror, in the case of a share exchange offer only,  
which the offeree or any persons acting in concert has borrowed or lent, save for any borrowed shares which have either been sold or on-lent;
- (f) The purchase of the offeree's own voting shares, including dates and prices, during the period commencing six months prior to the beginning of the offer period and ending with the latest practicable date;
- (g) Whether the directors of the offeree intend, in respect of their own beneficial holdings, to accept or reject the offer.

If in any of the above categories there are no holdings, then this fact must be stated.

If any person under paragraph 3 whose holdings are required to be disclosed has dealt in the holdings in question during the period beginning six months prior to the offer period and ending with the latest practicable date prior to the posting of the independent advice circular, the details, including [number and percentage of holdings], dates and prices, must be stated.

### **Share capital of offeree**

- 4. The authorised and issued share capital and the rights of the shareholders in respect of capital, dividends and voting.
- 5. The number of shares issued since the end of the last financial year of the offeree.
- 6. Details of options, warrants and conversion rights affecting shares.

### **Corporate information**

- 7. The following information about the offeree:
  - (a) Names, descriptions and addresses of its directors;
  - (b) Its principal activities;

- (c) Details, for the last three financial years, of turnover, exceptional items, net profit or loss before and after tax, minority interests, net earnings per share and net dividends per share;
  - (d) A statement of the assets and liabilities shown in the last published audited accounts;
  - (e) Particulars of all known material changes in the financial position of the company subsequent to the last published audited accounts or a statement that there are no such known material changes;
  - (f) Details relating to items referred to in (c) and (d) in respect of any interim statement or preliminary announcement made since the last published audited accounts;
  - (g) Significant accounting policies together with any points from the notes of the accounts which are of major relevance for the interpretation of the accounts; and
  - (h) Where, because of a change in accounting policy, figures are not comparable to a material extent, this should be disclosed and the approximate amount of the resultant variation should be stated.
8. Details of any bank overdrafts or loans, or other similar indebtedness, mortgages, charges, or guarantees or other material contingent liabilities of the offeree and any of its subsidiaries, or, if there are no such liabilities, a statement to that effect. Such details should be as of a date which is not more than three months preceding the latest practicable date prior to the posting of the document.
9. Details of any material litigation to which the offeree is, or may become, a party.

### **Material contracts**

10. Details of every material contract entered into after the date two years before the commencement of the offer period, not being a contract entered into in the ordinary course of business, including particulars on dates, parties, principal terms and conditions and any consideration passing to or from the offeree company or any of its subsidiaries.

### **Arrangement affecting directors**

11. Information on the following arrangements must be provided, if any:
- (a) Details of any payment or other benefit which will be made or given to any director of the offeree as compensation for loss of office or otherwise in connection with the offer.
  - (b) Details of any agreement or arrangement between any director of the offeree and any other person which is conditional on or dependent upon the outcome of the offer or otherwise connected with the outcome of the offer.
  - (c) Details of any material contract entered into by the offeror in which any director of the offeree company has a material personal interest.

### **Directors' service agreements**

12. Details of all service contracts of any director or proposed director with the offeree or any of its subsidiaries, unless expiring or determinable by the employing company without payment of compensation within 12 months from the date of the circular–
- (a) which have been entered into or amended within six months before the commencement of the offer period; or
  - (b) which are fixed term contracts with more than 12 months to run.

If no disclosures are required to be made under this paragraph, this should be stated.

### **Partial offers**

13. For partial offers, the independent advice circular for take-over offer shall include comments on the significance of the percentage level of acceptances offered by the offeror as stated in the offer document.