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## CLARIFICATION ON THE ANNOUNCEMENT OF ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

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The Board of Directors of Delfi Limited (the “**Company**”) refers to the announcement released by the Company of its Annual Report for the financial year ended 31 December 2019 to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 9 April 2020 (Announcement Reference: SG200409OTHRSAKY).

The Board wishes to provide the additional information in response to the SGX-ST’s query as follows:-

### **Query 1:**

Provision 8.1 of the Code states that:

*“The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:*

*(a) each individual director and the CEO; and*

*(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel.”*

We note the Company’s disclosure on remuneration at pages 63, 174, 175 and 176 of the annual report for FY2019. Where the Company’s practices vary from the provisions of the Code, please explicitly state the provision it has varied from and explain how the practices it has adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company’s remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

### **Company’s Response to Query 1:**

The Company makes reference to Principle 8 of the Code. The remuneration of the executive Directors and key executives are set out in incremental bands of S\$250,000 with further analysis showing the composition between Basic Salary; Variable or Bonuses; and Benefits in Kind. The specific remuneration of the non-executive directors is disclosed. The remuneration of our executive directors is given on page 174 and the fees of our non-executive directors is given on page 175. Our executive directors do not receive directors’ fees. The remuneration of our key executives (including the top 5 key executives) is also disclosed at page 175 of our Annual Report FY2019.

The Company is of the view that our disclosure in good faith supports both the spirit of the Code and Principle 8 of the Code, and that disclosure in incremental bands of both the executive Directors and key executives is both sufficient and adequate. Any further disclosure could be detrimental to the Group’s interests, as it may lead to poaching of key executives, or the revelation of the Group’s trade practices or tactics to competitors, in what is a highly competitive industry.

By Order of the Board

Chuang Yok Hoa / Richard Tan Kheng Swee  
Company Secretaries

5 May 2020