

Table of Solvency Statement (revised 20200808)

Required	Event	Redemption of preference shares	Financial assistance	Reduction of capital	Share buyback	Dividend declaration	Voluntary liquidation
Statement of solvency		S72 (6) (a)	For non-listed companies - S126 (1) & (2) (b)	S117 (3) (a) ¹	S113 (2) (b)	No statement but directors to be satisfied S132 (2)	S 443
Able to pay debts in full		After transaction - S112 (1) (a)					Within 12 months after commencement of winding-up - S443 (1) (b)
Able to pay debts when due		During next 12 months after transaction - S112 (1) (b)			After each buyback during next 6 months after date of declaration under S113 (5) ²	During next 12 months after transaction - S132 (2) & (3)	
Positive net assets³		On transaction date - S112 (1) (c)					
After transaction, remains solvent with no capital impairment (NAV or net asset value below total amount of all shares)⁴					At date of solvency statement - S112 (2) (a)	-	
Signed by directors		All directors - S113 (2) (a)	Majority directors - S113 (2) (b)	All directors - S113 (2) (a)	Majority directors - S113 (2) (b)	Majority directors - S132 (2) ⁵	Majority directors - S443 (1) (b)
Submit to Registrar of Companies		S72 (6)(b)	No provision requiring submission	S117 (3) (c)	No provision requiring submission	No provision requiring statement & submission	S 443 (4) (c)

Notes

¹ Except where the reduction in capital is solely by way of cancellation of capital which is lost or unrepresented by assets, i.e. impaired capital (S117 (4)).

² This refers to the requirement for directors to declare that it is necessary for the company to buy back its own shares and such is made in good faith and in the interests of the company.

³ This means assets are more than liabilities. Capital if not impaired by accumulated losses would still qualify as positive net assets.

⁴ Capital impairment here means share capital impaired by losses.

⁵ Not explicitly stated but the sub-section states directors' approval implying majority decision is good enough.