

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

*Unless otherwise defined, capitalised terms appearing on the cover of this Appendix bear the same meanings as defined in this Appendix.*

This Appendix has been made available on SGXNET and the website of the Company and may be accessed at the URL <http://www.bbr.com.sg>. A printed copy of this Appendix will NOT be despatched to Shareholders. The purpose of this Appendix is to provide information to the Shareholders relating to the proposed adoption of the 2024 BBR Share Plan and the proposed renewal of the Share Purchase Mandate to be tabled at the Annual General Meeting to be held at 50 Changi South Street 1, BBR Building, Singapore 486126 on 30 April 2024 at 4.00 p.m..

If you have sold or transferred all your ordinary shares in the capital of the Company, you should immediately inform the purchaser or transferee or the bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Appendix (together with the Annual Report, Notice of AGM and accompanying Proxy Form) may be accessed at the Company's website at <http://www.bbr.com.sg> and SGXNET.

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.



**BBR HOLDINGS (S) LTD**  
(Company Registration No.: 199304349M)  
(Incorporated in the Republic of Singapore)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING  
DATED 5 APRIL 2024**

**IN RELATION TO**

- (1) THE PROPOSED ADOPTION OF THE 2024 BBR SHARE PLAN; AND**
- (2) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

Registered Office: 50 Changi South Street 1, BBR Building, Singapore 486126

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## DEFINITIONS

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

### Companies, Organisations and Agencies

"BBRS"	:	BBR Holding AG
"Company"	:	BBR Holdings (S) Ltd
"Group"	:	The Company and its subsidiaries
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"SIC"	:	Securities Industry Council of Singapore

### General

"2010 BBR Share Plan"	:	The share plan which was adopted at an extraordinary general meeting of the Company held on 26 April 2010 for a duration of ten (10) years commencing from the date of adoption
"2024 BBR Share Plan"	:	The BBR Share Plan set out in Annex A to this Appendix proposed to be adopted at the 30 <sup>th</sup> AGM, as amended or modified from time to time
"30 <sup>th</sup> AGM"	:	The AGM to be held at 50 Changi South Street 1, BBR Building, Singapore 486126 on 30 April 2024 at 4.00 p.m.
"AGM" or "Annual General Meeting"	:	An annual general meeting of the Company
"Annual Report"	:	The annual report of the Company for the financial year ended 31 December 2023
"Appendix"	:	This Appendix to the Notice of AGM dated 5 April 2024 convening the 30 <sup>th</sup> AGM to be held on 30 April 2024 at 4.00 p.m.
"Associate"	:	(a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none"><li>(i) his immediate family (that is, the person's spouse, child, adopted-child, step-child, sibling and parent);</li><li>(ii) the trustees 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</li><li>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and</li></ul> (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

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## DEFINITIONS

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"Award"	:	A contingent award of Shares granted under the 2024 BBR Share Plan
"Award Date"	:	In relation to an Award, the date on which the Award is granted to a Participant pursuant to the 2024 BBR Share Plan
"Board"	:	The board of directors of the Company as at the Latest Practicable Date
"Companies Act"	:	The Companies Act 1967 of Singapore, as amended or modified from time to time
"Constitution"	:	The constitution of the Company, as amended or modified from time to time
"Controlling Shareholder"	:	A person who:  (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over the Company.
"Directors"	:	The directors of the Company for the time being, and "Director" shall be construed accordingly
"EPS"	:	Earnings per Share
"FY2023"	:	Financial year ended 31 December 2023
"Group"	:	The Company and its subsidiaries from time to time
"Group Executive"	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the Share Plan Committee to participate in the 2024 BBR Share Plan in accordance with the same
"Group Executive Director"	:	A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function
"Latest Practicable Date"	:	25 March 2024, being the latest practicable date prior to the electronic dissemination of this Appendix
"Letter of Award"	:	A letter in such form as the Share Plan Committee may approve confirming an Award granted to a Participant by the Share Plan Committee
"Listing Manual"	:	The listing manual of the SGX-ST, as amended or modified from time to time
"LPS"	:	Loss per Share
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"NAV"	:	Net asset value
"Notice of AGM"	:	The notice of AGM as set out on pages 160 to 167 of the Annual Report

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## DEFINITIONS

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"Participant"	:	A Group Executive who has been granted an Award
"Performance Condition(s)"	:	In relation to an Award, the performance condition specified on the Award Date in relation to that Award
"Performance Period"	:	In relation to an Award, a period, the duration of which is to be determined by the Share Plan Committee on the Award Date, during which the Performance Condition(s) is (are) to be satisfied
"Release"	:	In relation to an Award, the release at the end of each Performance Period or, as the case may be, each Vesting Period, relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 8 of the 2024 BBR Share Plan and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 8 of the 2024 BBR Share Plan, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly
"Release Schedule"	:	In relation to an Award, a schedule in such form as the Share Plan Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released at the end of each Performance Period or, as the case may be, each Vesting Period and, in the case of a performance-related Award, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of each Performance Period or, as the case may be, each Vesting Period
"Retention Period"	:	In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Share Plan Committee on the Award Date
"Service Condition(s)"	:	In relation to an Award, the service condition specified on the Award Date in relation to that Award
"SFA"	:	The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
"Share Plan Committee"	:	A committee of Directors who are duly authorised and appointed by the Board to administer the 2024 BBR Share Plan
"Share Purchase Mandate"	:	The mandate to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of such mandate
"Shareholders"	:	Registered holders of Shares, except that where the registered holder is the Depository, the term "Shareholders" shall, in relation to such Shares, mean the persons named as Depositors in respect of the number of Shares standing to the credit of their names in the Depository Register, and "shareholder" shall be construed accordingly
"Share(s)"	:	Ordinary share(s) in the share capital of the Company, and "Share" shall be construed accordingly

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## DEFINITIONS

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"Substantial Shareholder"	:	A person (including a corporation) who has an interest in one or more voting shares in the Company and the total votes attached to such Share(s) is not less than 5% of the total votes attached to all the voting shares (excluding treasury shares) in the Company, and "Substantial Shareholders" shall be construed accordingly
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
"treasury share(s)"	:	Share(s) purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate and held by the Company in accordance with Sections 76H to 76K of the Companies Act
"Vesting"	:	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award, and "Vest" and "Vested" shall be construed accordingly
"Vesting Date"	:	In relation to Shares which are the subject of a Released Award, the date (as determined by the Share Plan Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to the 2024 BBR Share Plan
"Vesting Period"	:	In relation to an Award, each period, the duration of which is to be determined by the Share Plan Committee on the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to the 2024 BBR Share Plan

### Currencies, units and others

"S\$" and "cents"	:	Singapore dollars and cents respectively
"%" or "per cent."	:	Per centum or percentage

The terms "**Depositor**", "**Depository**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term "**subsidiary holdings**" shall have the meaning ascribed to it in the Listing Manual.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual, the Take-over Code or any modification thereof and used in this Appendix shall have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual, the Take-over Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and date in this Appendix is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Appendix is a reference to S\$ unless otherwise stated.

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## DEFINITIONS

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Any discrepancies in figures included in this Appendix between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Rajah & Tann Singapore LLP has been appointed as the Singapore legal adviser to the Company in relation to the proposed adoption of the BBR Share Plan and the proposed renewal of the Share Purchase Mandate.

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## LETTER TO SHAREHOLDERS

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**BBR HOLDINGS (S) LTD**  
(Company Registration No.: 199304349M)  
(Incorporated in the Republic of Singapore)

### **Board of Directors**

Prof. Yong Kwet Yew (*Non Independent Director and Non-Executive Chairman*)  
Mr Tan Kheng Hwee Andrew (*Executive Director and Chief Executive Officer*)  
Mr Voon Yok Lin (*Executive Director*)  
Mr Bruno Sergio Valsangiacomo (*Non-Executive Director*)  
Mr Pietro Brenni (*Non-Executive Director*)  
Mr Lim Boon Cheng (*Independent Non-Executive Director*)  
Mr Chan Mun Wei (*Independent Non-Executive Director*)  
Ms Karen Lee Kiah Ling (*Independent Non-Executive Director*)  
Mr Voon Chet Chie (*Alternate Director to Mr Voon Yok Lin*)  
Mr Romano William Fanconi (*Alternate Director to Mr Pietro Brenni*)

### **Registered Office**

50 Changi South Street 1  
BBR Building  
Singapore 486126

5 April 2024

To: The Shareholders of **BBR Holdings (S) Ltd**

Dear Sir / Madam

## **1. INTRODUCTION**

We refer to Ordinary Resolutions 9 and 10 set out in the Notice convening the 30<sup>th</sup> AGM to be held on 30 April 2024 at 4.00 p.m. to seek Shareholders' approval for the proposed adoption of the BBR Share Plan and the proposed renewal of the Share Purchase Mandate respectively.

The purpose of this Appendix is to provide Shareholders with the relevant information relating to, and the rationale for, the above-mentioned proposals to be tabled at the 30<sup>th</sup> AGM and to seek Shareholders' approval at the 30<sup>th</sup> AGM for the same. The Notice of AGM is set out on pages 160 to 167 of the Annual Report.

This Appendix has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

## **2. THE PROPOSED ADOPTION OF THE BBR SHARE PLAN**

Unless otherwise defined in this Appendix, all capitalised terms used in this Section 2 shall bear the meanings ascribed to them in the Annexure to this Appendix entitled "Rules of the BBR Share Plan".

### **2.1 Background**

#### **2.1.1 *The 2010 BBR Share Plan***

The Company had previously adopted the 2010 BBR Share Plan at an extraordinary general meeting of the Company held on 26 April 2010 for a duration of ten (10) years commencing from the date of adoption, and accordingly, the 2010 BBR Share Plan had expired on 26 April 2020.

No further awards can be made under the 2010 BBR Share Plan as the 2010 BBR Share Plan had expired on 26 April 2020.

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## LETTER TO SHAREHOLDERS

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The Company proposes to seek the approval of the Shareholders at the forthcoming AGM to adopt and implement the 2024 BBR Share Plan, which if approved, will be the only share-based incentive scheme of the Company in force.

### 2.1.2 Awards granted under the 2010 BBR Share Plan

Details of awards granted under the 2010 BBR Share Plan as at the Latest Practicable Date are as follows:

- |     |   |   |
|-----|---|---|
| (a) | <b>Total number of Shares reserved under the 2010 BBR Share Plan</b>  | Nil   |
| (b) | <b>Total number of Shares allotted and issued pursuant to the vesting of awards granted under the 2010 BBR Share Plan</b> | 3,860,000 Shares (representing approximately 1.6% of the total issued Shares excluding treasury shares as at Latest Practicable Date)   |
| (c) | <b>Number of participants granted awards under the 2010 BBR Share Plan</b>  | 3,860,000 awards granted to 20 participants under the 2010 BBR Share Plan   |
| (d) | <b>Material conditions to which the awards granted under the 2010 BBR Share Plan are subject</b>                          | Save as disclosed in this Appendix, and save for the performance conditions, vesting periods (if any) and/or other conditions (if any) attached to the awards granted under the 2010 BBR Share Plan, there are no material conditions to which such awards were subject |

Details of awards granted under the 2010 BBR Share Plan to a Director that holds office as at the Latest Practicable Date are as follows:

<b>Name of Director</b>	<b>Date of grant of award</b>	<b>Number of Shares comprised in the awards granted under the 2010 BBR Share Plan</b>	<b>Number of Shares that have been allotted and issued pursuant to the vesting of awards granted under the 2010 BBR Share Plan</b>
Tan Kheng Hwee	29 April 2011	250,000	250,000
Andrew	21 May 2012	200,000	200,000
	15 July 2013	200,000	200,000

Save as disclosed above, there were no awards granted to Directors, Controlling Shareholders and their Associates under the 2010 BBR Share Plan.

### 2.2 Objectives of the 2024 BBR Share Plan

The 2024 BBR Share Plan is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognise outstanding Group Executives who have contributed to the growth of the Group. The 2024 BBR Share Plan will give Participants an opportunity to have a personal equity interest in the Company and will assist in achieving the following positive objectives:

- (a) the motivation of each Participant to optimize his performance standards and efficiency and to maintain a high level of contribution to the Group;



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## LETTER TO SHAREHOLDERS

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- (b) the retention of key executives (including executive directors) of the Group whose contributions are important to the long-term growth and profitability of the Group;
- (c) to instill loyalty to, and a stronger identification by employees with, the long term prosperity of the Group;
- (d) to make employee remuneration sufficiently competitive to recruit and retain employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of the Participants with the interests of the Shareholders.

### 2.3 Rationale for the 2024 BBR Share Plan

The 2024 BBR Share Plan is proposed to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The 2024 BBR Share Plan will strengthen the Company's competitiveness in attracting and retaining talented key senior management and senior executives.

The 2024 BBR Share Plan uses methods fairly common among major local and multinational companies to incentivise and motivate key senior management and senior executives to achieve pre-determined targets which create and enhance economic value for Shareholders. The 2024 BBR Share Plan is centered on the accomplishment of specific pre-determined performance objectives and/or Service Condition(s), which is the prerequisite for the award of fully paid Shares. This reward structure allows the Company to target specific performance objectives and incentivises the Participants to put in their best efforts to achieve these targets.

The Directors believe that the 2024 BBR Share Plan will serve as a powerful incentive in retaining and motivating key senior management and senior executives to optimise their performance standards and efficiency in the strive for sustainable growth and prosperity for the Company as well as to encourage the Participants' greater dedication and loyalty to the Company.

By granting the opportunity to participate in the equity of the Company, the 2024 BBR Share Plan aspires to cultivate a greater sense of involvement in the Company amongst the Participants. The 2024 BBR Share Plan also aims to foster a strong and lasting ownership culture within the Company which aligns the interests of its employees with the interests of Shareholders.

The Company hence believes that the 2024 BBR Share Plan will be more effective than cash bonuses in motivating employees to put in their best efforts towards achieving superior performance which creates and enhances economic value for the Shareholders. The Company also hopes that through the implementation of the 2024 BBR Share Plan, it will be able to remain an attractive and competitive employer. The proposed 2024 BBR Share Plan will operate to attract new capable employees with outstanding performance standards and expertise that will boost the long-term growth, development and profitability of the Company.

The Share Plan Committee has the absolute discretion to oversee and administer the 2024 BBR Share Plan. In considering the grant of an Award, the Share Plan Committee may also take into account, inter alia, the Participant's rank and responsibilities, job performance, years of service or appointment, potential for future development, contribution to the success and development of the Group and the Group's performance. The Share Plan Committee will also consider the compensation and/or benefits given or to be given to the potential Participant under the 2024 BBR Share Plan and any other share-based incentive schemes of the Company, if any. The Share Plan Committee may also set specific criteria and performance targets for each of its business units, taking into account factors such as (a) the Company's business goals and directions for each financial year; (b) the potential Participant's actual job scope and responsibilities; and (c) the prevailing economic conditions.

## 2.4 Listing of New Shares

The SGX-ST has granted in-principle approval for the listing and quotation of the new Shares to be allotted and issued upon the release of the Awards granted under the 2024 BBR Share Plan on the Mainboard of the SGX-ST, subject to the independent Shareholders' approval being obtained for the proposed adoption of the 2024 BBR Share Plan at the forthcoming AGM and the Company's compliance with the SGX-ST's listing requirements and guidelines.

**The SGX-ST's in-principle approval for the listing and quotation of the Shares on the Mainboard of the SGX-ST is not to be taken as an indication of the merits of the 2024 BBR Share Plan, the new Shares, the Company and/or its subsidiaries.**

## 2.5 Summary of the 2024 BBR Share Plan

The following is a summary of the principal rules of the 2024 BBR Share Plan. The detailed rules of the 2024 BBR Share Plan are set out in Annex A to this Appendix.

### 2.5.1 Eligibility

Group Executives who have attained the age of 21 years and hold such rank as may be designated by the Share Plan Committee from time to time on or before the Award Date and are not undischarged bankrupts and have not entered into a composition with their respective creditors, shall be eligible to participate in the 2024 BBR Share Plan at the absolute discretion of the Share Plan Committee.

Controlling Shareholders and their Associates will not be eligible to participate in the 2024 BBR Share Plan.

### 2.5.2 Awards

Awards represent the right of a Participant to receive fully paid Shares, free of charge, upon the Participant achieving the prescribed Performance Condition(s) and/or Service Condition(s) or otherwise having performed well and/or made a significant contribution to the Company.

Awards granted under the 2024 BBR Share Plan may be performance-based or time-based:

#### (a) Performance-based Awards

Such Awards will entitle Participants to be allotted fully paid Shares upon satisfactory achievement of pre-determined performance targets. The performance targets are intended to be based on the corporate objectives relating to market competitiveness, business growth and productivity of the Group. Examples of performance targets to be set include targets based on criteria such as successful completion of a project, market share, market ranking, the financial results of the Group, profitability and return on equity, return on investment as well as total shareholders' return and economic value added.

A performance-based Award under the 2024 BBR Share Plan may either vest (that is, a Participant will be absolutely entitled to all or some of the Shares comprised in an Award) once the Performance Condition(s) specified in respect of such an Award are satisfied (as determined by the Share Plan Committee) within the Performance Period with no further Vesting Period or, depending on the terms and conditions of the Award granted, it may vest on a date beyond the Performance Period so as to encourage Participants to continue serving the Group for a further period of time beyond the Performance Period.

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## LETTER TO SHAREHOLDERS

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In addition to the achievement of any pre-determined Performance Condition(s) and/or Service Condition(s), Awards may also be granted upon the Share Plan Committee's post-event determination that any Participant has performed well and/or made a significant contribution to the Group.

(b) *Time-based Awards*

Such Awards will entitle Participants to be allotted fully paid Shares after the satisfactory completion of time-based Service Condition(s), that is, after the Participant has served the Group for a specified number of years, as may be determined or pre-determined by the Share Plan Committee. Such Awards may be used to attract new employees and talent whom the Company may want to retain for specific periods and may also be granted as a sign-on bonus or upon successful completion of a project.

The Share Plan Committee has the flexibility under the 2024 BBR Share Plan to grant both time-based Awards and performance-based Awards to the same Participant simultaneously. Participants may also be granted Awards under the 2024 BBR Share Plan with different Performance Condition(s) and/or Service Condition(s), or on other different bases. No minimum Vesting Periods are prescribed under the 2024 BBR Share Plan and the length of Vesting Periods (if any) in respect of each Award will be determined on a case-by-case basis.

### 2.5.3 *Details of Awards*

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the 2024 BBR Share Plan shall be determined at the absolute discretion of the Share Plan Committee, who may take into account criteria such as the rank and responsibilities of the Participant within the Group, job performance, years of service or appointment, potential for future development, and contribution to the success and development of the Group and the Group's performance.

The Share Plan Committee shall decide, in relation to each Award to be granted to a Participant:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the Performance Condition(s) and the relevant Performance Period(s), if any;
- (d) the Service Condition(s) and the relevant Vesting Period(s), if any;
- (e) the Release Schedule;
- (f) the Retention Period(s), if any; and
- (g) any other condition which the Share Plan Committee may determine in relation to that Award

Awards may be granted at any time and from time to time during the period when the 2024 BBR Share Plan is in force as the Share Plan Committee may determine provided that:

- (i) no Awards may be granted during the period of (A) one month immediately preceding the date of announcement of the Company's half-year and full-year financial statements (if the Company does not announce its quarterly financial statements); and (B) two weeks immediately preceding the date of announcement of the Company's financial statements for each of the first three quarters of its financial year and one month immediately preceding the date of announcement of the Company's full year financial statements (if the Company

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## LETTER TO SHAREHOLDERS

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announces its quarterly financial statements, whether required by the SGX-ST or otherwise); and

- (ii) if at any time the Company intends to announce any matter of an exceptional nature involving unpublished price sensitive information, Awards may only be granted on or after the second Market Day following the date after such price sensitive information has been publicly announced.

A Letter of Award confirming the Award and specifying, *inter alia*, in relation to the Award, the prescribed Performance Condition(s) and the relevant Performance Period during which the prescribed Performance Condition(s) are to be satisfied (if any), the Service Condition(s) and the relevant Vesting Period(s) (if any) and the Retention Period (if any) will be sent to each Participant as soon as reasonably practicable after the making of an Award.

If the Performance Condition(s) (if any) and/or Service Condition(s) (if any) or any condition applicable to the Award has been satisfied and provided that the Participant has continued to be a Group Executive from the Award Date up to the end of the relevant Performance Period or, as the case may be, the relevant Vesting Period, the Share Plan Committee may release to him the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date.

In determining whether the prescribed Performance Condition(s) has been satisfied (whether fully or partially) or exceeded, the Share Plan Committee has the right to refer to and make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Share Plan Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events.

The Share Plan Committee may amend or waive the Performance Condition(s), Service Condition(s), the Performance Period(s), the Vesting Period(s), the Release Schedule, the Retention Period(s) and any condition applicable to an Award in respect of any Award, in the event of:

- (1) in the event of a take-over offer being made for the Shares;
- (2) in the event of a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by Shareholders and/or sanctioned by the Court;
- (3) in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company;
- (4) if an order is made for the winding-up of the Company on the basis of its insolvency;
- (5) if the Shareholders pass a resolution for a members' solvent voluntary winding-up (other than for reconstruction or amalgamation); or
- (6) if anything happens which causes the Share Plan Committee to conclude that:
  - (A) a changed Performance Condition(s) or Service Condition(s) and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
  - (B) the Performance Condition(s) or Service Condition(s) and/or the Release Schedule should be waived,

and shall notify the Participants of such change or waiver.

**2.5.4 Events prior to Vesting**

Special provisions for the Vesting and lapsing of Awards apply in the following circumstances:

- (a) the misconduct of a Participant as determined by the Share Plan Committee in its discretion;
- (b) upon the Participant ceasing to be in the employment of the Group for any reason whatsoever (other than as specified in paragraph (d) below);
- (c) the bankruptcy of a Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (d) where the Participant ceases to be in the employment of the Group by reason of:
  - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Share Plan Committee);
  - (ii) redundancy;
  - (iii) retirement at or after the legal retirement age;
  - (iv) retirement before the legal retirement age with the consent of the Share Plan Committee; or
  - (v) the company by which he is employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group;
- (e) the death of a Participant;
- (f) any other event approved by the Share Plan Committee;
- (g) a take-over, winding-up or a compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company;
- (h) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by Shareholders and/or sanctioned by the Court under the Act;
- (i) an order is made for the winding-up of the Company on the basis of its insolvency; or
- (j) the Shareholders pass a resolution for a members' solvent voluntary winding-up (other than for amalgamation or reconstruction).

Upon the occurrence of any of the events specified in paragraphs (a) and (b) above, an Award then held by a Participant shall, subject as provided in the provisions of the 2024 BBR Share Plan and to the extent not yet released, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in paragraphs (c), (d), (e) and (f) above, the Share Plan Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period, or as the case may be, the relevant Vesting Period and subject to the relevant provisions of the 2024 BBR Share Plan.

Upon the occurrence of any of the events specified in paragraph (g), (h), (i) and (j) above, the Share Plan Committee may consider, at its discretion, whether or not to release any Award. If the Share Plan Committee decides to release any Award, then in determining the number of Shares to be vested in respect of such Award, the Share Plan Committee will have regard to the proportion of the Performance Period(s) or, as the case may be, the Vesting Period(s) which has elapsed and the extent to which the applicable Performance Condition(s) and/or the Service Condition(s) has been satisfied.

**2.5.5 *Limitations on the size of the 2024 BBR Share Plan***

The aggregate number of new Shares which may be issued and existing Shares which may be delivered (whether such existing Shares are acquired pursuant to the Share Purchase Mandate and/or held as treasury shares, or otherwise) pursuant to Awards granted under the 2024 BBR Share Plan on any date, when added to the number of Shares issued and issuable and existing Shares delivered and deliverable in respect of (a) all Awards granted under the 2024 BBR Share Plan and (b) all options or awards granted under any other option scheme or share plan of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant Award Date.

The Company will have the flexibility to deliver existing Shares to Participants upon the Vesting of their Awards in the manner described in Section 2.5.6 of this Appendix.

Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Share Plan Committee under the 2024 BBR Share Plan.

The Board is of the view that the 15% limit would be sufficient to provide the flexibility to accommodate the Awards that will be granted over the 10-year life span of the 2024 BBR Share Plan, taking into account the nature of the Group's business in the industry, the contributions of the Participants and the share capital of the Company.

**2.5.6 *Operation of the 2024 BBR Share Plan***

Subject to the Companies Act and the rules of the Listing Manual, the Company will have the flexibility to deliver Shares to Participants upon Vesting of their Awards by way of an allotment of new Shares and/or the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares.

In determining whether to issue new Shares or to deliver existing Shares to Participants upon the Vesting of their Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

New Shares allotted and issued, and existing Shares transferred or procured by the Company to be transferred, on the Vesting of an Award shall:

- (a) be subject to all the provisions of the Constitution; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant date of Vesting, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

Shares which are allotted or transferred on the Vesting of an Award to a Participant shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period(s) (if any), except to the extent set out in the Letter of Award or with the prior approval of the Share Plan Committee.

**2.5.7 Adjustment Events**

If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the 2024 BBR Share Plan,

shall be adjusted in such manner as the Share Plan Committee may determine to be appropriate.

Unless the Share Plan Committee considers an adjustment to be appropriate:

- (i) the increase in the number of issued Shares as a consequence of the exercise of options or other convertible securities or the release of share awards entitling holders of such options, convertible securities or share awards to acquire new Shares (including the exercise of options granted pursuant to any option scheme approved by Shareholders in general meeting or the Vesting of Awards granted pursuant to the 2024 BBR Share Plan, or any previous plan(s));
- (ii) issue of securities by the Company as consideration for an acquisition or a private placement of securities; or
- (iii) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force,

shall not normally be regarded as a circumstance requiring adjustment.

No such adjustment shall be made if as a result of such adjustment, the Participant receives a benefit that a Shareholder does not receive. Any adjustment (except in relation to a bonus issue) must be confirmed in writing by the auditors for the time being of the Company to be, in their opinion, fair and reasonable.

**2.5.8 Modifications or Alterations to the 2024 BBR Share Plan**

The provisions of the 2024 BBR Share Plan may be modified and/or altered at any time and from time to time by resolution of the Share Plan Committee, except that:

- (a) no modification or alteration shall materially and adversely alter the rights attached to any Award granted prior to such modification or alteration except with the written consent of such number of Participants under the 2024 BBR Share Plan who, if their Awards were released to them in full, would become entitled to not less than three-quarters of the total number of all the Shares which would fall to be vested upon the release of all outstanding Awards in full.
- (b) No alteration shall be made to the definitions of "Associate", "Controlling Shareholder", "Group Executive", "Group Executive Director", "Participant", and the provisions of Rules 4, 5.2, 6.5, 8.4, and 10 of the 2024 BBR Share Plan to the advantage of the Participants, except with the prior approval of the Shareholders in general meeting; and
- (c) any modification or alteration shall be made in compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

**2.5.9 Administration of the 2024 BBR Share Plan**

The 2024 BBR Share Plan will be administered by a Share Plan Committee with such powers and duties as conferred by the Board. The Share Plan Committee shall initially comprise Tan Kheng Hwee Andrew, Chan Mun Wei, Lim Boon Cheng and Bruno Sergio Valsangiacomo. No member of the Share Plan Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

**2.5.10 Duration of the 2024 BBR Share Plan**

The 2024 BBR Share Plan shall continue to be in force at the discretion of the Share Plan Committee, subject to a maximum period of 10 years commencing on the date on which the 2024 BBR Share Plan is adopted by the Company in general meeting, provided always that the 2024 BBR Share Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The 2024 BBR Share Plan may be terminated at any time by the Share Plan Committee or, at the discretion of the Share Plan Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the 2024 BBR Share Plan is so terminated, no further Awards shall be granted by the Share Plan Committee under the 2024 BBR Share Plan.

The termination of the 2024 BBR Share Plan shall not affect Awards which have been granted whether such Awards have been released (whether fully or partially) or not.

**2.5.11 Disclosure in the Annual Report**

Subject to the 2024 BBR Share Plan being approved by Shareholders at the AGM, the Company will make the following disclosures (as applicable) in its annual reports (or provide an appropriate negative statement where such requirements are not applicable) for the financial year ending 31 December 2024 and future financial years for so long as the 2024 BBR Share Plan continues in operation:

- (a) the names of the members of the Share Plan Committee administering the 2024 BBR Share Plan;
- (b) the information required in the table below for the following Participants:
  - (i) Participants who are Directors; and
  - (ii) Participants, other than those in paragraph (b)(i) above, who have received Shares pursuant to the release of Awards granted under the 2024 BBR Share Plan which, in aggregate, represent 5% or more of the aggregate of (1) the total number of new Shares available under the 2024 BBR Share Plan; and (2) the total number of existing Shares purchased for delivery of Awards released under the 2024 BBR Share Plan; and

Name of Participant	Awards granted during financial year under review (including terms)	Aggregate Awards granted since commencement of 2024 BBR Share Plan to end of financial year under review	Aggregate Awards exercised since commencement of 2024 BBR Share Plan to end of financial year under review	Aggregate Awards outstanding as at end of financial year under review

- (c) such other information as may be required by the Listing Manual.



## 2.6 Financial Effects of the 2024 BBR Share Plan

Certain financial effects of the 2024 BBR Share Plan are set out below:

### 2.6.1 **Potential cost of Awards**

The grant of any Awards under the 2024 BBR Share Plan is considered a share-based payment that falls under SFRS(I) 2. Under Singapore Financial Reporting Standard (International) 2 – Share-based Payment ("**SFRS(I) 2**"), the recognition of an expense in respect of Awards granted under the 2024 BBR Share Plan is required, as described in the following paragraph:

- (a) The expense will be based on the fair value of the Award at each Award Date and will be recognised over the Vesting Period. This fair value (of employee services received in exchange for the grant of the Award) is normally estimated by applying the option pricing model at the Award Date, taking into account the terms and conditions of the grant of the Awards and recognised as a charge to the Company's consolidated profit and loss statement ("**P&L**") over the Vesting Period.
- (b) Before the end of the Vesting Period and at the end of each accounting year, the estimate of the number of Awards that are expected to vest in each Participant by the Vesting Date is revised, and the impact of the revised estimate is recognised in the consolidated P&L. After the Vesting Date, no adjustment of the charge to the consolidated P&L is made.

### 2.6.2 **Share Capital**

The 2024 BBR Share Plan will result in an increase in the Company's issued share capital where new Shares are issued to Participants. The number of new Shares issued will depend on, *inter alia*, the size of the Awards granted under the 2024 BBR Share Plan.

If, instead of issuing new Shares to Participants, existing Shares (including treasury shares) are transferred to Participants, the 2024 BBR Share Plan would have no impact on the Company's total number of issued Shares.

### 2.6.3 **NAV**

As described in Section 2.7.4, the 2024 BBR Share Plan is likely to result in a charge to the Company's P&L over the period from the Award Date to the Vesting Date of the Awards. The amount of the charge will be computed in accordance with SFRS(I) 2. If new Shares are issued to Participants, there will be no effect on the consolidated NAV of the Company. If existing Shares are purchased for delivery to Participants, the consolidated NAV of the Company would be impacted by the cost of the Shares purchased.

Although the 2024 BBR Share Plan will have a dilutive impact (to the extent that new Shares are issued pursuant to the 2024 BBR Share Plan) on the Company's consolidated NAV, it should be noted that the delivery of Shares to Participants under the 2024 BBR Share Plan would generally be contingent upon the Participants meeting the prescribed Performance Condition(s) and/or Service Condition(s), resulting in, *inter alia*, added value to Shareholders.

### 2.6.4 **EPS**

The 2024 BBR Share Plan is likely to result in a charge to the Company's P&L over the period from the Award Date to the Vesting Date, computed in accordance with SFRS(I) 2. According to SFRS(I) 2, the charge to earnings is equivalent to the market value at which the existing Shares are purchased or the market value on the date at which new Shares are issued under the Awards.

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Although the 2024 BBR Share Plan will have a dilutive impact (to the extent that new Shares are issued pursuant to the 2024 BBR Share Plan) on the Company's consolidated EPS, it should be noted that the delivery of Shares to Participants under the 2024 BBR Share Plan would generally be contingent upon the Participants meeting the prescribed Performance Condition(s) and/or Service Conditions, resulting in, *inter alia*, added value to Shareholders.

### 3. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

#### 3.1 Background

At the 29<sup>th</sup> AGM held on 27 April 2023, Shareholders had approved the renewal of the Share Purchase Mandate to enable the Company to purchase or otherwise acquire issued Shares. The rationale for, and the authority and limitations on, the Share Purchase Mandate were set out in the appendix to the notice of AGM dated 10 April 2023 convening the 29<sup>th</sup> AGM.

The existing Share Purchase Mandate will expire on the date of the forthcoming 30<sup>th</sup> AGM to be held on 30 April 2024 at 4.00 p.m.. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 30<sup>th</sup> AGM.

#### 3.2 Shares Purchased or Acquired in the Previous 12 Months

The Company has not purchased or acquired any Shares in the previous 12 months preceding the Latest Practicable Date.

#### 3.3 Rationale for the Renewal of the Share Purchase Mandate

The renewal of the Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its issued Shares during the period when the Share Purchase Mandate is in force, if and when circumstances permit. Such purchases or acquisitions of Shares provide the Company and its Directors with an easy mechanism to facilitate the return of surplus cash over and above the Company's ordinary requirements in an expedient, efficient and cost-effective manner and may, depending on market conditions and funding arrangements at the time, allow the Company and its Directors to better manage the Company's capital structure with a view to enhancing the EPS and/or NAV per share of the Group. The purchases or acquisitions of Shares may, in appropriate circumstances, also help to mitigate short-term market volatility in the Company's share price, offset the effects of short-term speculation and bolster Shareholders' confidence.

The Directors will decide whether to effect the purchases or acquisitions of the Shares after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors.

#### 3.4 Terms of the Proposed Share Purchase Mandate

The authority and limitations placed on the purchases or acquisitions of Shares by the Company under the Share Purchase Mandate (if renewed at the 30<sup>th</sup> AGM), are substantially the same as those previously approved by Shareholders at the 29<sup>th</sup> AGM, and are summarised below:

##### 3.4.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company shall not exceed 10% of the total number of Shares (excluding subsidiary holdings and any Shares which are held as treasury shares) in issue as at the date of the 30<sup>th</sup> AGM at which the renewal of the Share Purchase Mandate is approved.

**3.4.2 Duration of Authority**

Purchases or acquisitions of Shares by the Company may be made, at any time and from time to time, on and from the date of the 30<sup>th</sup> AGM at which the renewal of the Share Purchase Mandate is approved up to the earliest of:

- (a) the date on which the next AGM is held or required by law to be held;
- (b) the date on which purchases or acquisitions of Shares are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in general meeting.

**3.4.3 Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares by the Company may be made by way of:

- (a) an on-market purchase transacted through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchase**"); and/or
- (b) an off-market purchase in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**").

In an Off-Market Purchase, the Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the constitution of the Company, the Listing Manual, the Companies Act and other applicable laws and regulations, as they consider fit in connection with or in relation to an equal access scheme or schemes.

Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (i) the offers under the scheme are to be made to every person who holds shares to purchase or acquire the same percentage of their shares;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same except that there shall be disregarded:
  - (A) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements;
  - (B) differences in consideration attributable to the fact that the offers relate to shares with different amounts remaining unpaid; and
  - (C) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

Under the Listing Manual, in making an Off-Market Purchase, a listed company must issue an offer document to all shareholders containing, *inter alia*, the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed share purchases;

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- (4) the consequences, if any, of share purchases by the listed company that will arise under the Take-over Code or other applicable take-over rules;
- (5) whether the share purchases, if made, could affect the listing of the listed company's equity securities on the SGX-ST;
- (6) details of any share purchases made by the listed company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the shares purchased by the listed company will be cancelled or kept as treasury shares.

### 3.4.4 **Maximum Purchase Price**

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors, provided that such purchase price must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price (as defined hereinafter),

("Maximum Price") in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

"Average Closing Price" means the average of the Closing Market Prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"Closing Market Price" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources; and

"date of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### 3.5 **Status of Purchased or Acquired Shares: Held in Treasury or Cancelled**

Any Shares purchased or acquired pursuant to the Share Purchase Mandate will be dealt with in such manner as may be permitted by the Companies Act.

Under the Companies Act, any Share purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share shall expire on cancellation), unless such Share is held by the Company in treasury in accordance with Sections 76H to 76K of the Companies Act.

### 3.5.1 *Treasury Shares*

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Certain provisions on treasury shares under the Companies Act are summarised below:

- (a) Maximum Holdings: The aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of Shares in issue at that time. In the event that the aggregate number of treasury shares held by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess treasury shares within six months from the day the aforesaid limit is first exceeded.
- (b) Voting and Other Rights: The Company cannot exercise any right in respect of the treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members of the Company on a winding up) may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of the treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

- (c) Disposal or Cancellation: Where Shares are held as treasury shares, the Company may at any time:
  - (i) sell the treasury shares (or any of them) for cash;
  - (ii) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
  - (iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
  - (iv) cancel the treasury shares (or any of them); or
  - (v) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as (A) the date of the sale, transfer, cancellation and/or use of such treasury shares, (B) the purpose of such sale, transfer, cancellation and/or use of such treasury shares, (C) the number of treasury shares which have been sold, transferred, cancelled and/or used, (D) the number of treasury shares before and after such sale, transfer, cancellation and/or use, (E) the percentage of the number of treasury shares against the total number of issued shares outstanding (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and (F) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

**3.5.2 Purchased or Acquired Shares Cancelled**

Under the Companies Act, where Shares purchased or acquired by the Company are cancelled, the Company shall:

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

**3.6 Source of Funds**

In purchasing or acquiring its Shares, the Company may only apply funds legally available for such purchase or acquisition as provided in the constitution of the Company and in accordance with applicable laws in Singapore.

The Companies Act permits any purchase or acquisition of shares to be made out of a company's capital or profits so long as the company is solvent. For this purpose, a company is "solvent" if at the time of the payment, the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if:
  - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
  - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use the Group's internal resources, or external loans and borrowings or a combination of both to finance its purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The amount of funding required for the Company to purchase or acquire Shares under the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

The Board does not propose to exercise the Share Purchase Mandate in a manner and to such an extent that would materially and adversely affect the working capital requirements, the gearing levels of the Group and the financial position of the Group taken as a whole.

### 3.7 Financial Effects of the Share Purchase Mandate

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price paid for such Shares, whether the purchase or acquisition is made out of capital or profits of the Company and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for FY2023, are prepared based on the assumptions set out below.

#### 3.7.1 **Purchase or Acquisition of Shares made out of Capital or Profits**

Where the purchase or acquisition of Shares is made out of profits, the purchase price paid by the Company for the Shares will correspondingly reduce the profits available for distribution as dividends by the Company. Where the purchase or acquisition of Shares is made out of capital, the profits available for the distribution as dividends by the Company will not be reduced. For the purposes of preparing the financial effects below, the Company has excluded brokerage, stamp duties, applicable goods and services tax and other related expenses from the purchase price paid by the Company for the Shares.

#### 3.7.2 **Number of, and Maximum Price paid for, Shares Purchased or Acquired**

As at the Latest Practicable Date, the Company has a total of 322,386,218 Shares in issue (excluding treasury shares) and has no subsidiary holdings. Further, as at the Latest Practicable Date, 2,324,200 Shares are held by the Company as treasury shares.

Based on 322,386,218 Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date (and assuming that no further Shares are issued and no further Shares are purchased or acquired and held by the Company as treasury shares on or prior to the forthcoming AGM), the purchase or acquisition by the Company of up to the maximum limit of 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings) will result in the purchase or acquisition by the Company of up to 32,238,621 Shares.

##### (a) Where Shares purchased or acquired entirely out of capital are cancelled

The financial effects of the purchase or acquisition of Shares by the Company made entirely out of capital and where such Shares are cancelled are based on the purchase or acquisition of 32,238,600 Shares (rounded down to the nearest 100 Shares).

In the case of Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 32,238,600 Shares at the Maximum Price of S\$0.119 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 32,238,600 Shares is approximately S\$3.8 million.

In the case of Off-Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 32,238,600 Shares at the Maximum Price of S\$0.136 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 32,238,600 Shares is approximately S\$4.4 million.

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(b) Where Shares purchased or acquired entirely out of profits are cancelled

Having regard to the amount of distributable reserves of the Company as at 31 December 2023 of approximately S\$1.7 million (after adjusting for the final dividend of S\$0.003 per Share declared for FY2023 which is subject to the approval of Shareholders at the 30<sup>th</sup> AGM), the financial effects on the purchase or acquisition of Shares by the Company made entirely out of profits are based on the utilisation of funds of approximately S\$1.7 million.

In the case of Market Purchases by the Company made entirely out of profits, assuming the use of distributable reserves of the Company of approximately S\$1.7 million for the purchase or acquisition of Shares at the Maximum Price of S\$0.119 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum number of Shares (rounded down to the nearest 100 Shares) which can be purchased or acquired by the Company entirely out of profits is 14,578,000 Shares representing approximately 4.5% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

In the case of Off-Market Purchases by the Company made entirely out of profits, assuming the use of distributable reserves of the Company of approximately S\$1.7 million for the purchase or acquisition of Shares at the Maximum Price of S\$0.136 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum number of Shares (rounded down to the nearest 100 Shares) which can be purchased or acquired by the Company entirely out of profits is 12,756,000 Shares representing approximately 4.0% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

(c) Where Shares purchased or acquired entirely out of capital or profits are held as treasury shares

As stated in Section 3.5.1 of this Appendix, the aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of Shares in issue at that time. On the basis of the aforesaid limit and that the Company holds 2,324,200 Shares as treasury shares as at the Latest Practicable Date, the maximum number of Shares which can be purchased or acquired by the Company and be held as treasury shares is 30,146,800 (rounded down to the nearest 100 Shares), representing approximately 9.35% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 30,146,800 Shares at the Maximum Price of S\$0.119 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 30,146,800 Shares is approximately S\$3.6 million.

In the case of Off-Market Purchases by the Company assuming that the Company purchases or acquires 30,146,800 Shares at the Maximum Price of S\$0.136 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 30,146,800 Shares is approximately S\$4.1 million.



(d) Source of funds

As the Company has insufficient cash and cash equivalents as at 31 December 2023 to purchase or acquire the relevant maximum number of Shares, the financial effects below are prepared on the basis that the Company will first utilise all its cash and cash equivalents and after which, it will utilise the financial resources of its subsidiaries through borrowings within the Group for any shortfall in the cash amount that is needed to purchase or acquire the relevant maximum number of Shares.

3.7.3 ***Illustrative Financial Effects***

It is not possible for the Company to realistically calculate or quantify the financial effects of Share purchases or acquisitions that may be made pursuant to the Share Purchase Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price paid for such Shares, whether the purchase or acquisition is made out of capital or profits and whether the Shares purchased or acquired are held in treasury or cancelled.

Purely for illustrative purposes only, based on the audited financial statements of the Company and the Group for FY2023, the assumptions stated above and assuming the purchases or acquisitions of Shares by the Company are funded solely from internal resources, the effects of such purchases or acquisitions of Shares by way of Market Purchases and Off-Market Purchases on the financial positions of the Company and the Group under each of the following Scenarios A to D described below are as follows:

**LETTER TO SHAREHOLDERS**

**(1) Market Purchases**

As at 31 December 2023 (audited)	GROUP				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Profit attributable to equity holders	6,376	6,376	6,376	6,376	6,376
Share capital	49,082	49,082	49,082	49,082	45,246
Reserves	56,647	56,647	56,647	54,912	56,647
Treasury shares	(566)	(4,153)	(4,153)	(566)	(566)
NAV	105,163	101,576	101,576	103,428	101,327
Non-controlling interests	(5,048)	(5,048)	(5,048)	(5,048)	(5,048)
Equity	100,115	96,528	96,528	98,380	96,279
Current assets	292,680	289,093	289,093	290,945	288,844
Current liabilities	189,195	189,195	189,195	189,195	189,195
Net current assets	103,485	99,898	99,898	101,750	99,649
Total loans and borrowings <sup>1</sup>	98,058	98,058	98,058	98,058	98,058
Cash & bank balances	56,938	53,351	53,351	55,203	53,102
Number of Shares (in '000) (excluding treasury shares)	322,386	292,239	292,239	307,808	290,148
Treasury shares (in '000)	2,324	32,471	32,471	2,324	2,324
<u>Financial Ratios</u>					
EPS – cents	1.98	2.18	2.18	2.07	2.20
NAV per Share – cents	32.62	34.76	34.76	33.60	34.92
Gearing ratio <sup>2</sup> (times)	0.41	0.46	0.46	0.44	0.47
Current ratio <sup>3</sup> (times)	1.55	1.53	1.53	1.54	1.53

## LETTER TO SHAREHOLDERS

As at 31 December 2023 (audited)	COMPANY				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to equity holders	238	238	238	238	238
Share capital	49,082	49,082	49,082	49,082	45,246
Reserves	2,702	2,702	2,702	967	2,702
Treasury shares	(566)	(4,153)	(4,153)	(566)	(566)
NAV	51,218	47,631	47,631	49,483	47,382
Current assets	5,108	4,282	4,282	4,282	4,282
Current liabilities <sup>4</sup>	17,245	20,006	20,006	18,154	20,255
Net current liabilities	(12,137)	(15,724)	(15,724)	(13,872)	(15,973)
Total loans and borrowings <sup>1</sup>	7,132	7,132	7,132	7,132	7,132
Cash & bank balances	826	-	-	-	-
Number of Shares (in '000) (excluding treasury shares)	322,386	292,239	292,239	307,808	290,148
Treasury shares (in '000)	2,324	32,471	32,471	2,324	2,324
<b>Financial Ratios</b>					
LPS – cents	0.07	0.08	0.08	0.08	0.08
NAV per Share – cents	15.89	16.30	16.30	16.08	16.33
Gearing ratio <sup>2</sup> (times)	0.12	0.15	0.15	0.14	0.15
Current ratio <sup>3</sup> (times)	0.30	0.21	0.21	0.24	0.21

**Notes:**

- 1 Total loans and borrowings include bank borrowings and excludes loans from non-controlling interests.
- 2 Gearing ratio equals net debts (i.e. total loans and bank borrowings after deducting cash and bank balances) divided by equity.
- 3 Current ratio equals current assets divided by current liabilities.
- 4 See assumption stated in Section 3.7.2(d) of this Appendix.

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- (a) Scenario A: Market Purchases of 30,146,800 Shares made entirely out of profits and held as treasury shares.

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 34.76 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.18 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (b) Scenario B: Market Purchases of 30,146,800 Shares made entirely out of capital and held as treasury shares.

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 34.76 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.18 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (c) Scenario C: Market Purchases of 14,578,000 Shares made entirely out of profits and cancelled.

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 33.60 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.07 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (d) Scenario D: Market Purchases of 32,238,600 Shares made entirely out of capital and cancelled.

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 34.92 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.20 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

**LETTER TO SHAREHOLDERS**

**(2) Off-Market Purchases**

As at 31 December 2023 (audited)	GROUP				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Profit attributable to equity holders	6,376	6,376	6,376	6,376	6,376
Share capital	49,082	49,082	49,082	49,082	44,698
Reserves	56,647	56,647	56,647	54,912	56,647
Treasury shares	(566)	(4,666)	(4,666)	(566)	(566)
NAV	105,163	101,063	101,063	103,428	100,779
Non-controlling interests	(5,048)	(5,048)	(5,048)	(5,048)	(5,048)
Equity	100,115	96,015	96,015	98,380	95,731
Current assets	292,680	288,580	288,580	290,945	288,296
Current liabilities	189,195	189,195	189,195	189,195	189,195
Net current assets	103,485	99,385	99,385	101,750	99,101
Total loans and borrowings <sup>1</sup>	98,058	98,058	98,058	98,058	98,058
Cash & bank balances	56,938	52,838	52,838	55,203	52,554
Number of Shares (in '000) (excluding treasury shares)	322,386	292,239	292,239	309,630	290,148
Treasury shares (in '000)	2,324	32,471	32,471	2,324	2,324
<u>Financial Ratios</u>					
EPS – cents	1.98	2.18	2.18	2.06	2.20
NAV per Share – cents	32.62	34.58	34.58	33.40	34.73
Gearing ratio <sup>2</sup> (times)	0.41	0.47	0.47	0.44	0.48
Current ratio <sup>3</sup> (times)	1.55	1.53	1.53	1.54	1.52

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COMPANY					
As at 31 December 2023 (audited)	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
		S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to equity holders	238	238	238	238	238
Share capital	49,082	49,082	49,082	49,082	44,698
Reserves	2,702	2,702	2,702	967	2,702
Treasury shares	(566)	(4,666)	(4,666)	(566)	(566)
NAV	51,218	47,118	47,118	49,483	46,834
Current assets	5,108	4,282	4,282	4,282	4,282
Current liabilities <sup>4</sup>	17,245	20,519	20,519	18,154	20,803
Net current liabilities	(12,137)	(16,237)	(16,237)	(13,872)	(16,521)
Total loans and borrowings <sup>1</sup>	7,132	7,132	7,132	7,132	7,132
Cash & bank balances	826	-	-	-	-
Number of Shares (in '000) (excluding treasury shares)	322,386	292,239	292,239	309,630	290,148
Treasury shares (in '000)	2,324	32,471	32,471	2,324	2,324
<u>Financial Ratios</u>					
LPS – cents	0.07	0.08	0.08	0.08	0.08
NAV per Share – cents	15.89	16.12	16.12	15.98	16.14
Gearing ratio <sup>2</sup> (times)	0.12	0.15	0.15	0.14	0.15
Current ratio <sup>3</sup> (times)	0.30	0.21	0.21	0.24	0.21

Notes:

- 1 Total loans and borrowings include bank borrowings and excludes loans from non-controlling interests.
- 2 Gearing ratio equals net debts (i.e. total loans and bank borrowings after deducting cash and bank balances) divided by equity.
- 3 Current ratio equals current assets divided by current liabilities.
- 4 See assumption stated in Section 3.7.2(d) of this Appendix.

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- (a) Scenario A: Off-Market Purchases of 30,146,800 Shares made entirely out of profits and held as treasury shares.

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 34.58 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.18 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (b) Scenario B: Off-Market Purchases of 30,146,800 Shares made entirely out of capital and held as treasury shares.

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 34.58 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.18 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (c) Scenario C: Off-Market Purchases of 12,756,000 Shares made entirely out of profits and cancelled.

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 33.40 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.06 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (d) Scenario D: Off-Market Purchases of 32,238,600 Shares made entirely out of capital and cancelled.

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2023 will increase from 32.62 cents to 34.73 cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated basic EPS of the Group for FY2023 would be increased from 1.98 cents to 2.20 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

Shareholders should note that the financial effects set out above, based on the respective assumptions stated above, are purely for illustration purposes only and are not necessarily representative of future financial performance. In addition, the actual impact will depend on, *inter alia*, the actual number and price of Shares that may be purchased or acquired by the Company, whether the purchase or acquisition of Shares is made out of the profits or capital of the Company and whether the Shares purchased or acquired are held in treasury or cancelled.

Although the Share Purchase Mandate would authorise the Company to purchase up to 10% of the total number of the Company's issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of the issued Shares (excluding treasury shares and subsidiary holdings) as mandated. In addition, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased in treasury. The Board would emphasise that it does not propose to exercise the Share Purchase Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group taken as a whole, or result in the Company being delisted from the SGX-ST.

### 3.8 Tax Implications

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the purchase or acquisition of Shares by the Company, including those who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

### 3.9 Listing Manual

#### 3.9.1 **No Purchases during Price Sensitive Developments**

Whilst the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the Company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a consideration and/or decision of the Board until the price sensitive information has been publicly announced.

In particular, in line with Rule 1207(19) of the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of one month immediately preceding the announcement of the Company's half year financial statements and full year financial statements.

#### 3.9.2 **Listing Status of the Shares**

Under Rule 723 of the Listing Manual, a listed company shall ensure that at least 10% of the total number of issued Shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The word "public" is defined in the Listing Manual as persons other than directors, the chief executive officer, substantial shareholders, or controlling shareholders of the listed company or its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, there are approximately 156,895,166 Shares, representing approximately 48.67% of the total number of issued Shares (excluding treasury shares), held by the public. In the event that the Company purchases the maximum of 10% of the total number of issued Shares from public Shareholders, the percentage of the Company's public float would be reduced to approximately 42.96% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings). Accordingly, the Board is of the view that there is, at present, a sufficient number of Shares in issue held by public Shareholders that would permit the Company



to potentially undertake purchases or acquisitions of Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without adversely affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect orderly trading of the Shares.

### 3.9.3 **Reporting Requirements**

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer. Such announcement must include details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares (excluding treasury shares and subsidiary holdings) after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

## 3.10 **Certain Take-over Code Implications Arising from the Proposed Share Purchase Mandate**

Certain take-over implications arising from the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are summarised below:

### 3.10.1 **Obligation to Make a Take-over Offer**

If, as a result of any purchase or acquisition of Shares made by the Company under the Share Purchase Mandate, the proportionate interest of a Shareholder and persons acting in concert with him in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make a take-over offer for the Company under Rule 14.

### 3.10.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be acting in concert with each other:

- (a) the following companies:
  - (i) a company;
  - (ii) the parent of (i);
  - (iii) the subsidiaries of (i);
  - (iv) the fellow subsidiaries of (i);
  - (v) the associated companies of any of (i) to (iv);
  - (vi) companies whose associated companies include any of (i) to (v); and

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- (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives and related trusts and companies controlled by any of the directors, their close relatives and related trusts).

For the above purpose, a company is an associated company of another company if the second-mentioned company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

### 3.10.3 ***Effect of Rule 14 and Appendix 2 of the Take-over Code***

The circumstances under which Shareholders, including Directors, and persons acting in concert with them, respectively, will incur an obligation to make a take-over offer as a result of a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 is that unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of a purchase or acquisition of Shares by the Company:

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company would increase to 30% or more; or
- (b) where the Directors and their concert parties together hold between 30% and 50% of the Company's voting rights, their voting rights would increase by more than 1% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% to 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Shareholders will be subject to the provisions of Rule 14 of the Take-over Code if they acquire voting Shares after the Company's purchase of its own Shares. For this purpose, an increase in the percentage of voting rights as a result of the Company's purchase of its own Shares will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of six months.

Any Shares held by the Company as treasury shares shall be excluded from the calculation of the percentages of voting rights under the Take-over Code referred to above.

### 3.10.4 ***Shareholding Interests of Directors***

Based on information in the Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, on the basis that (a) the Company purchases the maximum of 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, (b) there is no change in the number of Shares in which the Directors have an interest as at the Latest Practicable Date, (c) there are no further issue of Shares and (d) no further Shares are purchased or acquired and held by the Company as treasury shares and no Shares are held as subsidiary holdings on or prior to the 30<sup>th</sup> AGM, will be as follows:

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Name of Director	Number of Shares Held			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
Prof. Yong Kwet Yew	-	-	-	-	-
Tan Kheng Hwee Andrew <sup>(1)</sup>	17,250,474	228,400	17,478,874	5.422	6.024
Voon Yok Lin	16,690,000	-	16,690,000	5.177	5.752
Bruno Sergio Valsangiacomo <sup>(2)</sup>	-	85,632,978	85,632,978	26.562	29.514
Pietro Brenni	-	-	-	-	-
Lim Boon Cheng	-	-	-	-	-
Chan Mun Wei	-	-	-	-	-
Karen Lee Kiah Ling	-	-	-	-	-
Voon Chet Chie (Alternate Director to Voon Yok Lin)	-	-	-	-	-
Romano William Fanconi (Alternate Director to Pietro Brenni)	80,000	-	80,000	0.025	0.028

**Notes:**

- (1) Mr Tan Kheng Hwee Andrew is deemed to have an interest in the Shares held by his wife, Ms Koh Peck Poh, Phyllis.
- (2) Mr Bruno Sergio Valsangiacomo is deemed to have an interest in the Shares held by BBRS by virtue of him together with his wife, Mrs Claudia Valsangiacomo-Brandestini, holding in aggregate not less than 20% of the voting shares of Tectus S.A.. See also Notes (2) and (3) under Section 3.10.5 of this Appendix.

**3.10.5 Shareholding Interests of Substantial Shareholders**

Based on information in the Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the Substantial Shareholders in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, on the basis that (a) the Company purchases or acquires the maximum of 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, (b) there is no change in the number of Shares in which the Substantial Shareholders have an interest as at the Latest Practicable Date, (c) there are no further issue of Shares and (d) no further Shares are purchased or acquired and held by the Company as treasury shares no shares are held as subsidiary holdings on or prior to the 30<sup>th</sup> AGM, will be as follows:

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Name of Substantial Shareholder	Number of Shares Held			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
BBRS	85,632,978	-	85,632,978	26.562	29.514
Tectus S.A. <sup>(1)</sup>	-	85,632,978	85,632,978	26.562	29.514
Claudia Valsangiacomo-Brandestini <sup>(2)</sup>	-	85,632,978	85,632,978	26.562	29.514
Bruno Sergio Valsangiacomo <sup>(3)</sup>	-	85,632,978	85,632,978	26.562	29.514
Vesna Eckert-Brandestini <sup>(2)</sup>	-	85,632,978	85,632,978	26.562	29.514
Nick Brandestini <sup>(2)</sup>	-	85,632,978	85,632,978	26.562	29.514
Tan Kheng Hwee Andrew <sup>(4)</sup>	17,250,474	228,400	17,478,874	5.422	6.024
Voon Yok Lin <sup>(5)</sup>	16,690,000	-	16,690,000	5.177	5.752
Chiu Hong Keong or Khoo Yok Kee <sup>(6)</sup>	26,160,700	40,000	26,200,700	8.127	9.030
ZYG Investment Pte Ltd	19,408,500	-	19,408,500	6.020	6.689
Lau Kah Soon <sup>(7)</sup>	-	19,408,500	19,408,500	6.020	6.689
Tan See Choy <sup>(7)</sup>	-	19,408,500	19,408,500	6.020	6.689

**Notes:**

- (1) Tectus S.A. is deemed to have interests in the Shares held by BBRS by virtue of its holding in aggregate not less than 20% of the voting shares of BBRS.
- (2) Mrs Claudia Valsangiacomo-Brandestini, Ms Vesna Eckert-Brandestini and Mr Nick Brandestini are each deemed to have an interest in the Shares held by BBRS by virtue of each of them holding not less than 20% of the voting shares of Tectus S.A.
- (3) Mr Bruno Sergio Valsangiacomo is deemed to have an interest in the Shares held by BBRS by virtue of him together with his wife, Mrs Claudia Valsangiacomo-Brandestini, holding in aggregate not less than 20% of the voting shares of Tectus S.A.
- (4) The Shares of Mr Tan Kheng Hwee Andrew are held in the name of DBS Nominees Pte Ltd. He is deemed to have an interest in the Shares held by his wife, Ms Koh Peck Poh, Phyllis.
- (5) The Shares of Mr Voon Yok Lin are held in the name of Citibank Nominees Singapore Pte Ltd.
- (6) Mr Chiu Hong Keong or Ms Khoo Yok Kee are deemed to have an interest in the Shares held by their son, Mr Chiu Wei Wen.
- (7) Mr Lau Kah Soon is the spouse of Mdm Tan See Choy. Mr Lau Kah Soon and Mdm Tan See Choy are the shareholders of ZYG Investment Pte Ltd, each holding 50% of the shares in ZYG Investment Pte Ltd.

### 3.10.6 *Consequences of Share Purchases or Acquisitions by the Company*

As at the Latest Practicable Date, BBRs, a Substantial Shareholder of the Company and Mr Romano William Fanconi, the alternate Director to Dr Pietro Brenni, together with certain persons acting in concert or presumed to be acting in concert with them (collectively, the "**BBRS Concert Parties**") own or control an aggregate of 85,712,978 Shares representing approximately 26.587% of the total voting rights of the Company as at the Latest Practicable Date.

Assuming that there is no change in the shareholding interests of the BBRS Concert Parties in the Company as at the Latest Practicable Date, the purchase or acquisition by the Company of the maximum of 32,238,621 Shares (being 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date) will result in an increase in the holdings of the BBRS Concert Parties in the Shares from approximately 26.587% to 29.541%.

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, the Directors are not aware of any Substantial Shareholder who would become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code in the event that the Company purchases or acquires the maximum of 32,238,621 Shares (being 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date) pursuant to the Share Purchase Mandate.

**The statements herein do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the SIC at the earliest opportunity.**

## 4. DIRECTORS' RECOMMENDATION

### 4.1 The Proposed Adoption of the 2024 BBR Share Plan

Based on the eligibility criteria of the 2024 BBR Share Plan, Mr Tan Kheng Hwee Andrew and Mr Voon Yok Lin are potential Participants and are therefore interested in the 2024 BBR Share Plan. Accordingly, Mr Tan Kheng Hwee Andrew and Mr Voon Yok Lin have abstained from making any recommendation on the 2024 BBR Share Plan.

The Directors (except for Mr Tan Kheng Hwee Andrew and Mr Voon Yok Lin) are of the opinion that the adoption of the 2024 BBR Share Plan is in the interests of the Company. Accordingly, the Directors (except for Mr Tan Kheng Hwee Andrew and Mr Voon Yok Lin) recommend that Shareholders **vote in favour** of Ordinary Resolution 9 relating to the 2024 BBR Share Plan to be proposed at the 30<sup>th</sup> AGM.

### 4.2 The Proposed Renewal of the Share Purchase Mandate

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the interests of the Company and, accordingly, they recommend that Shareholders **vote in favour** of Ordinary Resolution 10 relating to the renewal of the Share Purchase Mandate to be proposed at the 30<sup>th</sup> AGM.

**5. ABSTENTION FROM VOTING**

In view of their eligibility to participate in the 2024 BBR Share Plan, Mr Tan Kheng Hwee Andrew and Mr Voon Yok Lin and their respective Associates who are also Shareholders will also abstain from voting on, and will decline to accept appointment as proxies for Shareholders to vote in respect of, Ordinary Resolution 9, unless the appointor (being a Shareholder who is not subject to the voting restrictions detailed below) shall have given specific instructions in their proxy forms as to the manner in which the appointor's votes are to be cast in respect of Ordinary Resolution 9.

Any Shareholder entitled to participate in the 2024 BBR Share Plan (in particular, all employees of the Group and other persons who will benefit or are likely to benefit from the implementation of the 2024 BBR Share Plan, who are also Shareholders) are to abstain from voting on, and will decline to accept appointment as proxies for Shareholders to vote in respect of, Ordinary Resolution 9, unless the appointor (being a Shareholder who is not subject to the voting restrictions detailed above) shall have given specific instructions in their proxy forms as to the manner in which the appointor's votes are to be cast in respect of Ordinary Resolution 9.

**6. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed adoption of the 2024 BBR Share Plan, the proposed renewal of the Share Purchase Mandate and the Group, 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.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 50 Changi South Street 1, BBR Building, Singapore 486126 during normal business hours from the date of this Appendix up to and including the date of the 30<sup>th</sup> AGM:

- (a) the constitution of the Company;
- (b) the proposed rules of the 2024 BBR Share Plan; and
- (c) the Annual Report.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**BBR Holdings (S) Ltd**

Tan Kheng Hwee Andrew  
Executive Director and Chief Executive Officer

**RULES OF THE BBR SHARE PLAN**

**1. NAME OF THE PLAN**

The Plan shall be called the "BBR Share Plan".

**2. DEFINITIONS**

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- "Act"* : The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time.
- "Adoption Date"* : The date on which the Plan is adopted by the Company in general meeting.
- "Associate"* : (a) In relation to any Director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family (that is, the person's spouse, child, adopted-child, step-child, sibling and parent);
  - (ii) the trustees 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; and
- (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.
- "Auditors"* : The auditors of the Company for the time being.
- "Award"* : A contingent award of Shares granted under Rule 6.
- "Award Date"* : In relation to an Award, the date on which the Award is granted to a Participant pursuant to Rule 6.
- "Board"* : The board of directors of the Company for the time being.
- "CDP"* : The Central Depository (Pte) Limited.
- "Committee"* : A committee of directors of the Company who are duly authorised and appointed by the Board to administer the Plan.
- "Company"* : BBR Holdings (S) Ltd, a company incorporated in the Republic of Singapore.
- "Constitution"* : The constitution of the Company, as amended, modified or supplemented from time to time.
- "control"* : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.

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<i>"Controlling Shareholder"</i>	:	A person who:  (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over the Company.
<i>"CPF"</i>	:	The Central Provident Fund.
<i>"Director"</i>	:	A director of the Company for the time being.
<i>"Group"</i>	:	The Company and its subsidiaries.
<i>"Group Executive"</i>	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Plan in accordance with Rule 4.1(a).
<i>"Group Executive Director"</i>	:	A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function.
<i>"Letter of Award"</i>	:	A letter in such form as the Committee may approve confirming an Award granted to a Participant by the Committee.
<i>"Listing Manual"</i>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time.
<i>"Market Day"</i>	:	A day on which the SGX-ST is open for securities trading.
<i>"Participant"</i>	:	A Group Executive who has been granted an Award.
<i>"Performance Condition"</i>	:	In relation to an Award, the performance condition specified on the Award Date in relation to that Award.
<i>"Performance Period"</i>	:	In relation to an Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition(s) is (are) to be satisfied.
<i>"Plan"</i>	:	The BBR Share Plan, as amended, modified or supplemented from time to time.
<i>"Record Date"</i>	:	The date fixed by the Company for the purposes of determining entitlements of holders of Shares to dividends, rights, allotments or other distributions.
<i>"Release"</i>	:	In relation to an Award, the release at the end of each Performance Period or, as the case may be, each Vesting Period, relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 8 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 8, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly.
<i>"Release Schedule"</i>	:	In relation to an Award, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released at the end of each Performance Period or, as the case may be, each Vesting Period



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and, in the case of a performance-related Award, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of each Performance Period or, as the case may be, each Vesting Period.

<i>"Released Award"</i>	:	An Award which has been released in full or in part in accordance with Rule 8.
<i>"Retention Period"</i>	:	In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date.
<i>"Rules"</i>	:	Rules of the Plan, and "Rule" shall be construed accordingly.
<i>"Securities Account"</i>	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent.
<i>"Service Condition"</i>	:	In relation to an Award, the service condition specified on the Award Date in relation to that Award.
<i>"SFA"</i>	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time.
<i>"SGX-ST"</i>	:	The Singapore Exchange Securities Trading Limited.
<i>"Shareholders"</i>	:	Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the persons named as Depositors in respect of the number of Shares standing to the credit of their names in the Depository Register, and "Shareholder" shall be construed accordingly.
<i>"Shares"</i>	:	Ordinary shares in the capital of the Company.
<i>"Trading Day"</i>	:	A day on which the Shares are traded on the SGX-ST.
<i>"treasury share(s)"</i>	:	Share(s) purchased or otherwise acquired by the Company pursuant to the general mandate of the Shareholders authorising the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of such mandate, and held by the Company in accordance with Sections 76H to 76K of the Act.
<i>"Vesting"</i>	:	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award, and "Vest" and "Vested" shall be construed accordingly.
<i>"Vesting Date"</i>	:	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 8.
<i>"Vesting Period"</i>	:	In relation to an Award, each period, the duration of which is to be determined by the Committee on the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to Rule 8.

- 2.2 The terms "*Depositor*", "*Depository Agent*", and "*Depository Register*" shall have the meanings ascribed to them in the SFA; and the term "subsidiary" shall have the meaning ascribed to it in Section 5 of the Act.
- 2.3 The term "*subsidiary holdings*" shall have the meaning ascribed to it in the Listing Manual.
- 2.4 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.
- 2.5 Any reference to a time of day in the Plan is a reference to Singapore time.
- 2.6 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the SFA or any statutory modification thereof and used in the Plan shall have the meaning assigned to it under the Act, the SFA or any statutory modification thereof, as the case may be.

### **3. OBJECTIVES OF THE PLAN**

The Plan is a share incentive plan. The Plan is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognise outstanding executives and directors of the Group who have contributed to the growth of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and will assist in achieving the following positive objectives:

- (a) the motivation of each Participant to optimize his performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) the retention of key executives and directors of the Group whose contributions are important to the long-term growth and profitability of the Group;
- (c) to instill loyalty to, and a stronger identification by employees with, the long-term prosperity of the Group;
- (d) to make employee remuneration sufficiently competitive to recruit and retain employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of the Participants with the interests of the Shareholders.

### **4. ELIGIBILITY OF PARTICIPANTS**

- 4.1 Subject to Rule 4.2, only Group Executives who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time on or before the Award Date and are not undischarged bankrupts and have not entered into a composition with their respective creditors, shall be eligible to participate in the Plan at the absolute discretion of the Committee.
- 4.2 Controlling Shareholders and their Associates shall not be eligible to participate in the Plan.
- 4.3 There will be no restriction on the eligibility of any Participant to participate in any other share option plan or share incentive plans implemented by any other company within the Group.

### **5. LIMITATION ON THE SIZE OF THE PLAN AND MAXIMUM ENTITLEMENTS**

- 5.1 Subject to Rule 5.2, the number of Shares in respect of which Awards may be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which may take into account criteria such as the rank and responsibilities of the Participant within the Group, job performance, years of service or appointment, potential for

future development of the Participant, his contribution to the success and development of the Group and the Group's performance.

- 5.2 The aggregate number of new Shares which may be issued and existing Shares which may be delivered (whether such existing Shares are acquired pursuant to a share purchase mandate and/or held as treasury shares, or otherwise) pursuant to Awards granted under the Plan on any date, when added to the number of Shares issued and issuable and existing Shares delivered and deliverable in respect of (a) all Awards granted under the Plan and (b) all options or awards granted under any other option scheme or share plan of the Company then in force, shall not exceed 15 per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant Award Date.
- 5.3 The Company shall have the flexibility to deliver existing Shares to Participants upon the Vesting of their Awards in the manner provided for in Rule 8.3.2.
- 5.4 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

## **6. GRANT OF AWARDS**

- 6.1 Subject to the Rules of the Plan, the Committee may grant Awards to Participants in its absolute discretion, at any time during the period when the Plan is in force, provided that:
- (a) no Awards may be granted during the period of (A) one month immediately preceding the date of announcement of the Company's half-year and full-year financial statements (if the Company does not announce its quarterly financial statements) and (B) two weeks immediately preceding the date of announcement of the Company's financial statements for each of the first three quarters of its financial year and one month immediately preceding the date of announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise); and
  - (b) if at any time the Company intends to announce any matter of an exceptional nature involving unpublished price sensitive information, Awards may only be granted on or after the second Market Day following the date after such price sensitive information has been publicly announced.
- 6.2 The Committee shall decide in relation to an Award:
- (a) the Award Date;
  - (b) the number of Shares which are the subject of the Award;
  - (c) the Performance Condition(s) and the relevant Performance Period(s), if any;
  - (d) the Service Condition(s) and the relevant Vesting Period(s), if any;
  - (e) the Release Schedule;
  - (f) the Retention Period(s), if any; and
  - (g) any other condition which the Committee may determine in relation to that Award.
- 6.3 The Committee may amend or waive the Performance Condition(s), Service Condition(s), the Performance Period(s), the Vesting Period(s), the Release Schedule, the Retention Period(s) and any condition applicable to an Award in respect of any Award:
- (a) in the event of a take-over offer being made for the Shares;
  - (b) in the event of a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation

with another company or companies is approved by Shareholders and/or sanctioned by the Court;

- (c) in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company;
- (d) if an order is made for the winding-up of the Company on the basis of its insolvency;
- (e) if the Shareholders pass a resolution for a members' solvent voluntary winding-up (other than for reconstruction or amalgamation); or
- (f) if anything happens which causes the Committee to conclude that:
  - (i) a changed Performance Condition(s) or Service Condition(s) and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
  - (ii) the Performance Condition(s) or Service Condition(s) and/or the Release Schedule should be waived,

and shall notify the Participants of such change or waiver.

6.4 As soon as reasonably practicable after making an Award, the Committee shall send to each Participant a Letter of Award confirming the Award and specifying in relation to the Award:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the Performance Condition(s) and the relevant Performance Period(s), if any;
- (d) the Service Condition(s) and the relevant Vesting Period(s), if any;
- (e) the Release Schedule;
- (f) the Retention Period(s), if any; and
- (g) any other condition which the Committee may determine in relation to that Award.

6.5 Participants are not required to furnish any consideration (including making any payment) for the grant of Awards or the issue or transfer of Shares in respect of which a Released Award relates.

6.6 An Award or Released Award shall be personal to the Participant to whom it is granted and shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award, that Award or Released Award shall immediately lapse.

## **7. EVENTS PRIOR TO THE VESTING DATE**

7.1 An Award shall, to the extent not Released, immediately lapse without any claim whatsoever against the Company:

- (a) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion; or
- (b) subject to Rule 7.2(b), upon the Participant ceasing to be in the employment of the Group for any reason whatsoever.

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For the purpose of Rule 7.1(b), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- 7.2 If any of the following events occur, the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following the occurrence of such event either to Vest some or all of the Shares which are the subject of such Award or to preserve all or part of any Award until the end of each Performance Period or, as the case may be, each Vesting Period and subject to the provisions of the Plan:
- (a) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
  - (b) where the Participant ceases to be in the employment of the Group by reason of:
    - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
    - (ii) redundancy;
    - (iii) retirement at or after the legal retirement age;
    - (iv) retirement before the legal retirement age with the consent of the Committee; or
    - (v) the company by which he is employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group;
  - (c) the death of a Participant; or
  - (d) any other event approved by the Committee.
- 7.3 Without prejudice to the provisions of Rule 6.3, if before the Vesting Date, any of the following occurs:
- (a) a take-over offer for the Shares becomes or is declared unconditional;
  - (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by Shareholders and/or sanctioned by the Court under the Act;
  - (c) an order is made for the winding-up of the Company on the basis of its insolvency; or
  - (d) the Shareholders pass a resolution for a members' solvent voluntary winding-up (other than for amalgamation or reconstruction),

the Committee may consider, at its discretion, whether or not to Release any Award. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee may have regard to the proportion of the Performance Period(s) or, as the case may be, the Vesting Period(s) which has elapsed and the extent to which the Performance Condition(s) and/or the Service Condition(s) (if any) has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after such Release(s), procure the allotment and/or transfer to each Participant of the number of Shares so determined, such allotment and/or transfer to be made in accordance with Rule 8.

## **8. RELEASE OF AWARDS**

### **8.1 Review of Performance Condition(s)**

As soon as reasonably practicable after the end of each Performance Period of a performance-related Award, the Committee shall review the Performance Condition(s) specified in respect of that Award and determine whether it has been satisfied and, if so, the extent to which it has been satisfied (whether fully or partially).

If the Committee determines in its sole discretion that the Performance Condition(s) has not been satisfied or (subject to Rule 7) if the relevant Participant has not continued to be a Group Executive from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 8.3 to 8.4 shall be of no effect.

The Committee shall have the discretion to determine whether the Performance Condition(s) has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to refer to and make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events. For the avoidance of doubt, the Committee may amend or waive the satisfaction of the Performance Condition(s) in accordance with Rule 6.3.

If the Committee determines in its sole discretion that the Performance Condition(s) has been satisfied (whether fully or partially) or exceeded, and provided that the relevant Participant has continued to be a Group Executive from the Award Date up to the end of the relevant Performance Period or, as the case may be, the relevant Vesting Period, it may Release the Award to that Participant:

- (a) in the case where it is determined that the Performance Condition(s) has been fully satisfied, the number of Shares to which that Award relates in accordance with the Release Schedule specified in respect of that Award on the Vesting Date; or
- (b) in all other cases, such number of Shares as may be determined by the Committee in its absolute discretion.

### **8.2 Vesting Period(s)**

Subject to the Committee having determined that the Performance Condition(s) (if any) or Service Condition(s) (if any) or any condition applicable to an Award has been satisfied and (subject to Rule 7) provided that the Participant has continued to be a Group Executive from the Award Date up to the end of the relevant Vesting Period, upon the expiry of the Vesting Period in relation to an Award, the Company shall Release to the relevant Participant the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date.

### **8.3 Release of Award**

8.3.1 Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be a Trading Day falling as soon as practicable after the review by the Committee referred to in Rule 8.1 or, as the case may be, the last day of the relevant Vesting Period and, on the Vesting Date, the Committee will procure the allotment and/or transfer to each Participant of the number of Shares so determined.

8.3.2 Subject to the Act and the rules of the Listing Manual, the Company shall have the flexibility to deliver Shares to Participants upon Vesting of their Awards by way of:

- (a) an allotment of new Shares; and/or
- (b) the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares.

- 8.3.3 In determining whether to issue new Shares or to deliver existing Shares to Participants upon the Vesting of their Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.
- 8.3.4 Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.
- 8.3.5 Shares which are allotted or transferred on the Vesting of an Award to a Participant shall be issued or registered (as the case may be) in the name of CDP for the credit of:
- (a) the securities account of that Participant maintained with CDP;
  - (b) the securities sub-account of that Participant maintained with a Depository Agent; or
  - (c) the CPF investment account of that Participant maintained with a CPF agent bank, in each case, as designated by that Participant.
- 8.3.6 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to the compliance with the Rules of the Plan and the Constitution of the Company, the Company shall, within ten (10) Market Days after the Vesting of an Award, allot the relevant number of new Shares or, as the case may be, transfer or procure the transfer of the relevant number of existing Shares to the Participant and, where required, despatch the share certificates in respect of such Shares by ordinary post or such other mode as the Committee may deem fit.

#### **8.4 Ranking of Shares**

New Shares allotted and issued, and existing Shares transferred or procured by the Company to be transferred, on the Vesting of an Award shall:

- (a) be subject to all the provisions of the Constitution; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

#### **8.5 Retention Period**

Shares which are allotted or transferred on the Vesting of an Award to a Participant shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period(s) (if any), except to the extent set out in the Letter of Award or with the prior approval of the Committee.

### **9. ADJUSTMENT EVENTS**

9.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted in such manner as the Committee may determine to be appropriate.

9.2 Unless the Committee considers an adjustment to be appropriate:

- (a) the increase in the number of issued Shares as a consequence of the exercise of options or other convertible securities or the release of share awards entitling holders of such options, convertible securities or share awards to acquire new Shares (including the exercise of options granted pursuant to any option scheme approved by Shareholders in general meeting or the vesting of share awards granted pursuant to the Plan, or any previous plan(s));
- (b) the issue of securities by the Company as consideration for an acquisition or a private placement of securities; or
- (c) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force,

shall not normally be regarded as a circumstance requiring adjustment.

9.3 Notwithstanding the provisions of Rule 9.1:

- (a) no such adjustment shall be made if as a result of such adjustment, the Participant receives a benefit that a Shareholder does not receive; and
- (b) any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

9.4 Upon any adjustment required to be made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth (as applicable) the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

## **10. ADMINISTRATION OF THE PLAN**

10.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

10.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.

10.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee any liability whatsoever in connection with:

- (a) the lapsing of any Awards pursuant to any provision of the Plan;
- (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
- (c) any decision or determination of the Committee made pursuant to any provision of the Plan.



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10.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors), including any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure thereunder or as to any rights under the Plan, shall be final and binding.

### 11. NOTICES

11.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

11.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

11.4 An offer, grant, acceptance and/or Release of an Award, including without any limitation, the Letter of Award under Rule 6.4 and/or any correspondence in relation thereto, may be communicated electronically through any form of electronic communication approved by the Committee for such purposes from time to time incorporating, if the Committee deems necessary, the use of such security and/or identification procedures and devices as may be approved by the Committee.

### 12. MODIFICATIONS TO THE PLAN

12.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall materially and adversely alter the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them in full, would become entitled to not less than three-quarters of the total number of all the Shares which would fall to be Vested upon the Release of all outstanding Awards in full;
- (b) the definitions of "Associate", "Controlling Shareholder", "Group Executive", "Group Executive Director", "Participant", and the provisions of Rules 4, 5.2, 6.5, 8.4 and 10 shall not be altered to the advantage of Participants except with the prior approval of the Shareholders in general meeting; and
- (c) any modification or alteration shall be made in compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

For the purposes of Rule 12.1(a), the opinion of the Committee as to whether any modification or alteration would materially and adversely alter the rights attached to any Award shall be final and conclusive.

12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST and such other regulatory authorities as may be necessary) amend or alter the Plan in any way to the extent necessary to cause the Plan to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

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- 12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants.

### **13. TERMS OF EMPLOYMENT UNAFFECTED**

- 13.1 The Plan or any Award granted under the Plan shall not form part of any contract of employment between the Company and/or any of its subsidiaries and any Participant and the rights and obligations of any Participant under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.
- 13.2 The Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any of its subsidiaries, directly or indirectly, or give rise to any cause of action at law or in equity against the Company and/or any of its subsidiaries.

### **14. DURATION OF THE PLAN**

- 14.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 14.2 The Plan may be terminated at any time by the Committee or, at the discretion of the Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.
- 14.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

### **15. TAXES**

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

### **16. COSTS AND EXPENSES OF THE PLAN**

- 16.1 Each Participant shall be responsible for all fees of CDP, any Depository Agent, or, if applicable, any CPF agent bank relating to or in connection with the allotment and issue or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP and the crediting of the Participant's securities account with CDP or of the Participant's securities sub-account with a Depository Agent or, if applicable, CPF investment account with a CPF agent bank.
- 16.2 Save for the taxes referred to in Rule 15 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue or transfer of Shares pursuant to the Release of any Award shall be borne by the Company.

### **17. DISCLAIMER OF LIABILITY**

Notwithstanding any provisions herein contained, the Committee, the Board and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay or failure in issuing the new Shares or transferring or procuring the transfer of the existing Shares or applying for or procuring the listing of the new Shares on the SGX-ST in accordance with Rule 8.3.1 and Rule 8.3.4 (and any other stock exchange on which the Shares are quoted or listed).

**18. DISCLOSURE IN ANNUAL REPORT**

The Company will make such disclosures in its annual report for as long as the Plan continues in operation as from time to time required by the Listing Manual including the following (where applicable):

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants:
  - (i) Participants who are directors of the Company; and
  - (ii) Participants, other than those in paragraph (b)(i) above, who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the aggregate of (1) the total number of new Shares available under the Plan and (2) the total number of existing Shares purchased for delivery of Awards Released under the Plan; and

Name of Participant	Awards granted during financial year under review (including terms)	Aggregate Awards granted since commencement of the Plan to end of financial year under review	Aggregate Awards released since commencement of the Plan to end of financial year under review	Aggregate Awards outstanding as at end of financial year under review

- (c) such other information as may be required by the Listing Manual.

In the event the disclosure of any of the abovementioned information is not applicable, an appropriate negative statement shall be included.

**19. DISPUTES**

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

**20. CONDITION OF AWARD**

Every Award shall be subject to the condition that no Shares shall be issued or transferred pursuant to the Release of an Award if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any relevant country having jurisdiction in relation to the issue or transfer of Shares hereto.

**21. GOVERNING LAW**

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

**22. EXCLUSION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT**

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by the virtue of the Contracts (Rights of Third Parties) Act 2001 of Singapore.