

CIRCULAR DATED 5 APRIL 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

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

If you have sold or transferred all your shares in the capital of Net Pacific Financial Holdings Limited (the “**Company**”), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this Circular.

The SGX-ST has granted approval in-principle for the listing and quotation of the shares to be issued pursuant to the Net Pacific Employee Share Option Scheme. The approval in-principle is not to be taken as an indication of the merits of the Net Pacific Employee Share Option Scheme, the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme, the Company, its subsidiaries and their securities.

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (+65) 6229 8088.



Net Pacific Financial Holdings Limited

NET PACIFIC FINANCIAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 9 January 2003)
(Company Registration Number 200300326D)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED AMENDMENTS TO THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	: 24 April 2017 at 11.30 a.m.
Date and time of Extraordinary General Meeting	: 27 April 2017 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company held on the same day and at the same place)
Place of Extraordinary General Meeting	: 1 Robinson Road, #18-00 AIA Tower, Singapore 048542

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context requires otherwise or unless otherwise stated:

<i>“Act”</i>	: The Companies Act, Cap. 50, of Singapore, as may be amended or modified from time to time
<i>“Board” or “Board of Directors”</i>	: The board of directors of the Company as at the date of this Circular or from time to time, as the case may be
<i>“Catalist Rules”</i>	: The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended or modified from time to time
<i>“CDP”</i>	: The Central Depository (Pte) Limited
<i>“Circular”</i>	: This circular to Shareholders dated 5 April 2017 in respect of the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme
<i>“Company”</i>	: Net Pacific Financial Holdings Limited
<i>“Director”</i>	: A director of the Company as at the date of this Circular or from time to time, as the case may be
<i>“EGM”</i>	: The extraordinary general meeting of the Company to be held on 27 April 2017 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company held on the same day and at the same place), notice of which is set out on page N-1 of this Circular
<i>“Group”</i>	: The Company and its subsidiaries collectively
<i>“Latest Practicable Date”</i>	: 28 March 2017, being the latest practicable date prior to the printing of this Circular
<i>“Net Pacific Employee Share Option Scheme”</i>	: The employee share option scheme of the Company, as may be amended or modified from time to time
<i>“Notice of EGM”</i>	: The notice of EGM which is set out on page N-1 of this Circular
<i>“Ordinary Resolution”</i>	: The ordinary resolution as set out in the Notice of EGM
<i>“Proxy Form”</i>	: The proxy form in respect of the EGM as set out in this Circular
<i>“Securities Accounts”</i>	: The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
<i>“SFA”</i>	: The Securities and Futures Act, Cap. 289, of Singapore, as may be amended or modified from time to time
<i>“SGX-ST”</i>	: Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	: The registered holders of Shares, except that where the registered holder is CDP, the term <i>“Shareholders”</i> in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited

DEFINITIONS

“Shares” : Ordinary shares in the capital of the Company

“Substantial Shareholder” : A person who has an interest or interests in voting Shares in the Company representing not less than 5% of all the voting Shares

“%” : Per centum or percentage

Currencies

“S\$” and “cents” : Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore

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

The terms *“associate”*, *“associated company”*, *“controlling shareholder”* and *“subsidiary”* shall have the same meanings ascribed to them respectively in the Catalist Rules and the Act.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Act, the SFA, the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning ascribed to it under the Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless the context requires otherwise.

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, where applicable, include corporations.

Any reference to a time of day or date in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

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

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

LETTER TO SHAREHOLDERS

NET PACIFIC FINANCIAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 9 January 2003)
(Company Registration Number 200300326D)

Board of Directors:

Zhou Wen Jie	(Non-Executive Chairman)
Ong Chor Wei @ Alan Ong	(Executive Director and Chief Executive Officer)
Kwok Chin Phang	(Executive Director and Chief Operating Officer)
Ben Lee	(Non-Executive Director)
Chin Fook Lai	(Non-Executive Director)
Cheung Ting Chor	(Non-Executive Director)
Cheung King Kwok	(Lead Independent Director)
Francis Lee Fook Wah	(Independent Director)
Wu Houguo	(Independent Director)

Registered Office:

35 Selegie Road
#10-25
Singapore 188307

5 April 2017

To: The Shareholders of Net Pacific Financial Holdings Limited

Dear Sir/Madam

THE PROPOSED AMENDMENTS TO THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

1. INTRODUCTION

1.1 EGM

The Directors are convening an EGM to be held on 27 April 2017 to seek Shareholders' approval for the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme.

1.2 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval for, the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme. Shareholders' approval will be sought at the EGM held on 27 April 2017 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company held on the same day and at the same place), notice of which is set out on page N-1 of this Circular.

1.3 SGX-ST

The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

2. THE PROPOSED AMENDMENTS TO THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

2.1 Introduction

The Net Pacific Employee Share Option Scheme was adopted by Shareholders at the extraordinary general meeting of the Company on 15 February 2011. The Company is proposing to amend the Net Pacific Employee Share Option Scheme after reviewing and considering the effectiveness of the Net Pacific Employee Share Option Scheme in achieving its desired objectives.

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The objective of the Net Pacific Employee Share Option Scheme was to inculcate in all participants a stronger and more lasting sense of identification with the Company. The Net Pacific Employee Share Option Scheme sought to attract, retain and provide incentives to participants to encourage greater dedication and loyalty by enabling the Company to provide recognition for past contributions and services. The Company believes that this, in turn, will help to motivate participants generally to contribute towards the Company's long-term success.

2.2 Rationale for the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme

The Company is proposing to amend the Net Pacific Employee Share Option Scheme to better reflect the current market practice for similar incentive schemes. In particular, the Company is proposing to delete Rule 12.8 of the Net Pacific Employee Share Option Scheme and remove the restriction that Shares allotted and issued upon the exercise of an option shall be subject to a two (2) year moratorium period.

By amending the Net Pacific Employee Share Option Scheme, the Company hopes that the Net Pacific Employee Share Option Scheme will be more attractive to participants and motivate participants to exercise their respective options, and foster an ownership culture within the Company.

Simultaneously, the Company is proposing to update the rules of the Net Pacific Employee Share Option Scheme and incorporate amendments to take into account the changes to the Act introduced under the Companies (Amendment) Act 2014 of Singapore. In addition, the Company is also taking this opportunity to streamline and rationalise certain rules of the Net Pacific Employee Share Option Scheme for consistency and also address the current personal data protection regime in Singapore.

2.3 Summary of the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme

The following is a summary of the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme. The proposed amendments to the rules of the Net Pacific Employee Share Option Scheme is subject to Shareholders' approval.

Shareholders are advised to read Appendix A of this Circular, which sets out the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme in greater detail, in its entirety before deciding whether to vote for or against the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme. The rules of the Net Pacific Employee Share Option Scheme as amended are set out in Appendix B of this Circular.

Definitions

The existing Rule 2 of the Net Pacific Employee Share Option Scheme which is the interpretation section, includes, *inter alia*, the following revised provisions:

- (i) the definitions for the terms "Articles" and "Memorandum" have been replaced with "Constitution" in view of the amendments made to the Act which took effect on 3 January 2016; and
- (ii) the definitions for the terms "Depositor", "Depository Register" and "Depository Agent" have been amended to reflect cross-references to Section 81SF of the SFA. This arises following the migration of the definitions of these terms from the Act to the SFA pursuant to the Companies (Amendment) Act 2014 of Singapore.

Consequential changes have also been made to the rules of Net Pacific Employee Share Option Scheme. In addition, amendments have been made to the rules of the Net Pacific Employee Share Option to streamline and rationalise certain rules of the Net Pacific Employee Share Option Scheme for consistency.

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Shares allotted and issued upon the exercise of an option

The existing Rule 12.8 of the Net Pacific Employee Share Option Scheme states that Shares allotted and issued upon the exercise of an option shall not be sold within two (2) years.

Rule 12.8 of the Net Pacific Employee Share Option Scheme is proposed to be deleted to remove the restriction that Shares allotted and issued upon the exercise of an option shall be subject to a two (2) year moratorium period.

Collection, use and disclosure of personal data

In general, under the Personal Data Protection Act 2012 of Singapore, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. Rule 27 has been added to the Net Pacific Employee Share Option Scheme to specify, *inter alia*, the purposes for which the Company and/or its agents and service providers would collect, use and disclose personal data of participants or their authorised representative(s).

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in the Shares as recorded in the Company's Register of Directors' Shareholdings and the Company's Register of Substantial Shareholders respectively as at the Latest Practicable Date are set out below:

	Percentage of Shares and voting rights as at the Latest Practicable Date ⁽¹⁾		
	Direct Interest	Deemed interest	Total interest
	Number of Shares	Number of Shares	%
Directors			
Zhou Wen Jie ⁽²⁾	120,000,000	—	22.83
Ong Chor Wei @ Alan Ong ⁽³⁾	3,150,000	53,700,000	10.82
Kwok Chin Phang	5,000	—	Not Meaningful
Ben Lee ⁽²⁾⁽⁴⁾	—	120,000,000	22.83
Chin Fook Lai ⁽⁵⁾	10,022,400	59,000,000	13.13
Cheung Ting Chor	695,000	—	0.13
Cheung King Kwok	—	—	—
Francis Lee Fook Wah	1,025,000	—	0.20
Wu Houguo	—	—	—
Substantial Shareholders (other than Directors)			
Zhou Dan ⁽²⁾⁽⁴⁾	120,000,000	—	22.83
Quad Sky Limited ⁽³⁾⁽⁶⁾	53,700,000	—	10.22
Head Quator Limited ⁽³⁾	—	53,700,000	10.22
Wingate Investment Corporation ⁽⁶⁾	—	53,700,000	10.22
Yung Fung Ping ⁽⁶⁾	—	53,700,000	10.22
Chan Mei Sau ⁽⁶⁾	—	53,700,000	10.22

LETTER TO SHAREHOLDERS

Notes:

- (1) Based on the Company's issued and paid-up share capital of 525,630,328 issued Shares as at the Latest Practicable Date.
- (2) Zhou Wen Jie is the brother of Zhou Dan and the brother-in-law of Ben Lee.
- (3) Ong Chor Wei @ Alan Ong is deemed interested in the Shares held by Quad Sky Limited by virtue of him owning 100% of the equity interest in Head Quator Limited which in turn owns 50% of the equity interest in Quad Sky Limited.

Head Quator Limited is deemed interested in the Shares held by Quad Sky Limited by virtue of it owning 50% of the equity interest in Quad Sky Limited.

- (4) Zhou Dan is the wife of Ben Lee. Ben Lee is deemed interested in the Shares held by Zhou Dan.
- (5) Chin Fook Lai's deemed interest arose from Shares held in the name of HL Bank Nominees (S) Pte Ltd.
- (6) Wingate Investment Corporation is deemed interested in the Shares held by Quad Sky Limited by virtue of it owning 50% of the equity interest in Quad Sky Limited.

Yung Fung Ping and Chan Mei Sau are deemed interested in the Shares held by Quad Sky Limited by virtue of them each owning 50% of the equity interest in Wingate Investment Corporation which in turn owns 50% of the equity interest in Quad Sky Limited.

Save as disclosed, none of the Directors and the Substantial Shareholders have any interest, direct or indirect, in the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme, other than through their respective shareholdings in the Company.

4. DIRECTORS' RECOMMENDATION

All Directors of the Company are eligible to participate in the Net Pacific Employee Share Option Scheme. Accordingly, the Directors have refrained from making any recommendation to Shareholders in respect of the Ordinary Resolution relating to the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme.

5. ABSTENTION FROM VOTING

Rule 858 of the Catalist Rules states that shareholders who are eligible to participate in the scheme must abstain from voting on any resolution relating to the scheme (other than a resolution relating to the participation of, or grant of options to, directors and employees of the issuer's parent company and its subsidiaries).

Accordingly, Shareholders who are eligible to participate in the Net Pacific Employee Share Option Scheme must abstain from voting on the Ordinary Resolution relating to the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme at the EGM and shall also refrain from accepting nominations as proxy or otherwise vote at the EGM in respect of the Ordinary Resolution relating to the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme unless Shareholders appointing them as proxies give specific instructions in the relevant Proxy Form on the manner in which they wish their votes to be casted.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular 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 the Circular in its proper form and context.

LETTER TO SHAREHOLDERS

7. EGM

The EGM, notice of which is set out on page N-1 of this Circular, will be held at 1 Robinson Road, #18-00 AIA Tower, Singapore 048542 on 27 April 2017 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company held on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modification, the Ordinary Resolution relating to the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme set out in the Notice of EGM.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 35 Selegie Road #10-25, Singapore 188307, not later than 72 hours before the time fixed for holding the EGM.

The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the EGM.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 35 Selegie Road #10-25, Singapore 188307, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (i) the Constitution of the Company; and
- (ii) the rules of the Net Pacific Employee Share Option Scheme.

Yours faithfully,
For and on behalf of the Board of Directors of
NET PACIFIC FINANCIAL HOLDINGS LIMITED

Ong Chor Wei @ Alan Ong
Executive Director and Chief Executive Officer

APPENDIX A
PROPOSED AMENDMENTS TO
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

The proposed amendments to the rules of the Net Pacific Employee Share Option Scheme are set out below.

1. NAME OF THE SCHEME

This employee share option scheme shall be called the “**Net Pacific Employee Share Option Scheme**”.

2. DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Articles” : ~~The Articles of Association of the Company, as amended, or modified from time to time~~

“Associate” : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:

- (i) his immediate family;
- (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

(b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any **other** company which is its subsidiary or holding company or is a subsidiary of ~~any~~ 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 ~~from~~for the time being

“Board of Directors” or “Board” : The board of directors of the Company for the time being

“Catalist” : **The sponsor-supervised listing platform of the SGX-ST**

“Catalist Rules” : The SGX-ST Listing Manual Section B–: Rules of Catalist, as may be amended; or modified from time to time

“CDP” : The Central Depository (Pte) Limited

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PROPOSED AMENDMENTS TO
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

“Committee”	:	A committee comprising Directors and such other persons (if any) as may be duly authorised and appointed by the Board to administer the Scheme
“Company”	:	Net Pacific Financial Holdings Limited
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as <u>may be</u> amended or modified from time to time
“Constitution”	:	<u>The constitution of the Company, as may be amended or modified from time to time</u>
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operation policies of the Company (a) — “Controlling Shareholder” : A person who holds directly or indirectly 15% or more of the issued share capital of the Company; or (b) — in fact exercises Control over the Company;
“Controlling Shareholder”	:	<u>A person who:</u> <u>(a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury Share in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or</u> <u>(b) in fact exercises control over the Company</u>
“Date of Grant”	:	<u>The date on which an Option is granted to a Participant in accordance with the Rules of the Scheme</u>
“Directors”	:	The directors of the Company
“Exercise Price”	:	The price at which a Participant Grantee shall subscribe for each Share upon the exercise of an Option, as determined in accordance with the Rule 9 of the Scheme, or such adjusted price as may be applicable pursuant to <u>in accordance with Rule 10 of the Scheme</u>
“Financial Year”	:	Financial year of the Company ended or ending 31 December (as the case may be)
“Grantee”	:	The person to whom an offer of any Option is made
“Group”	:	The Company and its subsidiaries collectively

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PROPOSED AMENDMENTS TO
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

“Group Employee”	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme in accordance with the rules thereof <u>Rules of the Scheme</u>
“Group Executive Director”	:	A Director of the Company and/or its <u>a director of the Company’s</u> subsidiaries, as the case may be, who performs an executive function
“Group Non-Executive Director”	:	A Director of the Company and/or its subsidiaries, as the case may be, other than a Group Executive Director
“Market Day”	:	A day on which SGX-ST is open for securities trading
“Market Price”	:	The average of the last dealt prices for a Share determined by reference to the daily Official List (as defined in the Catalist Rules) published by the SGX-ST for a period of five <u>(5)</u> consecutive Market Days immediately prior to the relevant Offer Date of the Option, provided always that in the case of a Market Day on which the Shares of the Company are not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
“Memorandum”	:	The Memorandum of Association of the Company, as amended, or modified from time to time
“NTA”	:	Net tangible assets
“Offer Date”	:	The date on which an offer to grant an Option is made <u>in accordance with the Rules of the Scheme</u>
“Option”	:	The right to subscribe for Shares granted pursuant to the rules <u>in accordance with the Rules</u> of the Scheme
“Option Period”	:	The period for the exercise of an Option being: (a) in the case of an Option granted with the Exercise Price set at the Market Price, a period commencing after the first <u>(1st)</u> anniversary of the Date of Grant of that Option and expiring on the 10th anniversary of such Date of Grant, subject as provided in Rules to Rule <u>Rule 11 and Rule 15</u> of the Scheme and any other conditions as may be determined by the Committee from time to time; and

APPENDIX A
PROPOSED AMENDMENTS TO
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

	(b)	in the case of an Option granted with the Exercise Price set at a discount to the Market Price, a period commencing after the second (2nd) anniversary of the Date of Grant that Option and expiring on the 10th anniversary of such Date of Grant, subject as provided in Rules to Rule Rule 11 and Rule 15 of the Scheme and any other conditions as may be determined by the Committee from time to time
"Participant"	:	A person who is selected by the Committee to participate in the Scheme in accordance with the rules thereof Rules of the Scheme
"Record Date"	:	The In relation to any dividends, rights, allotments or other distributions, the date as at the close of business on which Shareholders of the Company must be registered with the Company and/or CDP, as the case may be, in order to participate in any such dividends, rights, allotments or other distributions (as the case may be)
"Rules"	:	The rules of the Scheme, as the same may be amended or modified from time to time
"Scheme"	:	The proposed Net Pacific Employee Share Option Scheme, as may be amended or modified from time to time
"Securities Account"	:	The securities account maintained by Depositors with CDP but not including the securities accounts maintained with a Depository Agent
"SFA"	:	The Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Share(s)"	:	Ordinary share(s) in the capital of the Company
"Shareholders"	:	The registered holders of the Shares in the register of members of the Company, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to those Shares held by CDP and where the context so admits, mean the persons named as Depositors whose securities accounts Securities Accounts such Shares are credited with the Shares
"Substantial Shareholders"	:	A person who has an interest or interests in the voting Shares representing not less than 5.0% 5% of all the voting Shares

APPENDIX A

PROPOSED AMENDMENTS TO THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

Currencies, Units and Others

“SGD”, “S\$”, “\$” or “cents” : Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore

“%” or “per cent” : Per centum or percentage

2.2 The terms “**Depositor**”, “**Depository Register**” and “**Depository Agent**” shall have the **same** meanings ascribed to them respectively by Section ~~130A of the Companies Act~~ **81SF of the SFA**. **The terms “associated company” and “subsidiary” shall have the same meanings ascribed to them respectively in the Catalyst Rules and the Companies Act.**

2.3 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, **where applicable**, include corporations.

2.4 Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word **or term** defined under **the Catalyst Rules**, the Companies Act, **the SFA** or any statutory modification thereof and used in the Scheme shall, where applicable, have the same meaning assigned to it under **the Catalyst Rules**, the Companies Act, **the SFA** or **any statutory modification thereof, as the case may be, unless the context requires otherwise.**

2.5 Any reference in the Scheme to a time of day **or date in the Scheme** shall be a reference to Singapore time **and dates, unless otherwise stated.**

3. OBJECTIVES OF THE SCHEME

The objectives of the Scheme are as follows:

- (a) to motivate Participants to ~~optimise performance standards and~~ **perform at an optimal level of efficiency** and to maintain a high level of contribution to the Group;
- (b) to retain key employees whose contributions are important to the ~~long-term~~ **long-term** growth and prosperity of the Group;
- (c) to ~~instill~~ **instill** loyalty and a ~~stronger~~ **strong** sense of ~~identification by~~ **identity in** the Participants ~~with~~ **to motivate Participants to contribute to** the long-term **growth and** prosperity of the Group;
- (d) to attract potential 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 the absolute discretion of the Committee, the following persons shall be eligible to participate in the Scheme:

- (a) Group Employees; and
- (b) Directors,

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provided that, as ~~of at~~ the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

- 4.2 Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the Scheme, provided that the participation of the Controlling Shareholder and/or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution setting out the specific number and terms of such grants. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders and/or their Associates any Options (including the rationale for any discount to the Market Price, if so proposed).
- 4.3 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme implemented by any other company within the Group.
- 4.4 Subject to the Catalyst Rules, the Companies Act and any other requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted from time to time (if applicable), the ~~terms of eligibility~~ criteria for participation in the Scheme may be amended or modified from time to time at the absolute discretion of the Committee.

5. MAXIMUM ENTITLEMENT

Subject to Rule 4 and Rule 6 of the Scheme, the number of Shares over which Options may be granted to a ~~Grantee Participant~~ for subscription under the Scheme shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as the ~~Grantee's Participant's~~ rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the ~~Grantee Participant~~ and the prevailing market and economic conditions.

6. SIZE OF THE SCHEME

- 6.1 The aggregate number of Shares over which Options may be granted on any date under the Scheme, when added to the number of Shares issued and/or issuable in respect of:
- (a) all Options granted under the Scheme; ~~or and~~
 - (b) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 15% of the total issued Shares of the Company (excluding treasury shares) ~~on the day preceding that date~~ on the Date of Grant and from time to time.

- 6.2 The aggregate number of Shares over which Options may be granted under the Scheme to the Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the Scheme, and the number of Shares over which an Option may be granted under the Scheme to the each Controlling Shareholders or ~~their~~ his Associate shall not exceed 10% of the Shares available under the Scheme.

7. OFFER DATE

- 7.1 ~~The Committee may, save~~ Save as provided in Rule 4, Rule 5 and Rule 6 of the Scheme, the Committee may offer to grant Options to such ~~Grantees Participants~~ as it may select in its absolute discretion at any time during the period when the Scheme is in force, except that, for so long as the Shares are listed and quoted on the ~~SGX-ST~~ Catalist, no Options shall be granted

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during the period of ~~30 days~~ **one (1) month** immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement **is made** on any matter of an exceptional nature involving unpublished price sensitive information ~~is made~~, offers to grant Options may only be made on or after the second **(2nd)** Market Day on which such announcement is ~~released~~ **made**.

- 7.2 An offer to grant an Option to a ~~Grantee-Participant~~ shall be made by way of a letter (the "**Letter of Offer**") in the form or substantially in the form set out in Schedule 1, subject to such amendments **or modifications** as the Committee may determine from time to time.

8. ACCEPTANCE OF OFFER

- 8.1 An Option offered to a Grantee ~~pursuant to~~ **in accordance with** Rule 7 **of the Scheme** may only be accepted by the Grantee within 30 days after the relevant Offer Date and not later than 5.00 p.m. on the 30th day from such Offer Date by (a) completing, signing and returning to the Company the Acceptance Form in or substantially in the form set out in Schedule 2, subject to such **amendments or** modifications as the Committee may **determine** from time to time ~~determine~~ accompanied by the payment of S\$1.00 as consideration (the "**Consideration**") or such other amounts and such other documentation as the Committee may require; and (b) if, at the date on which the Committee, for and on behalf of the Company, receives from the Grantee the Acceptance Form and the Consideration in respect of the Option as aforesaid, he remains eligible to participate in the Scheme in accordance with ~~these the~~ Rules **of the Scheme**.
- 8.2 The Grantee may accept or refuse the whole or part of the **Option offered**. If only part of the **Option offered** is accepted, the Grantee shall accept the **Option offered** in multiples of 1,000 Shares. The Committee shall within 15 Market Days of receipt of the Acceptance Form and the Consideration, acknowledge receipt of the same.
- 8.3 If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, ~~such the~~ **Option offered** shall, upon the expiry of the 30 day period referred to in Rule 8.1 **of the Scheme**, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.
- 8.4 The Company shall be entitled to reject any purported acceptance of a grant of an Option made ~~pursuant to~~ **in accordance with** this Rule 8 or Exercise Notice given ~~pursuant to~~ **in accordance with** Rule 12 **of the Scheme** which does not comply strictly with the ~~terms~~ **Rules** of the Scheme.
- 8.5 Options are personal to the Grantees to whom they are granted and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Grantee's duly appointed personal representative**(s)** as provided in Rule 11.6 **of the Scheme** in the event of the death of such Grantee.
- 8.6 In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and of no effect and the relevant ~~Participant-Grantee~~ shall have no claim whatsoever against the Company.
- 8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted **strictly** in the manner as provided in Rule 8.1 **of the Scheme** within the 30 day period referred to therein; or
 - (b) the ~~Participant-Grantee~~ dies prior to his acceptance of the Option; or
 - (c) the ~~Participant-Grantee~~ is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or

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- (d) the Grantee, being a Group Employee or a Director, ceases to be in the employment of the Group or ceases to be a Director, in each case, for any reason whatsoever prior to his acceptance of the Option; or
- (e) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

9. EXERCISE PRICE

9.1 Subject to any adjustment ~~pursuant to~~ in accordance with Rule 10 ~~of the Scheme~~, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at:

- (a) the Market Price; or
- (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee at its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price (or such other percentage or amount prescribed or permitted by the SGX-ST) and approved by the Shareholders at a general meeting in a separate resolution in respect of that Option.

9.2 In making any determination under Rule 9.1(b) of the Scheme on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:

- (a) the performance of the Company and its subsidiaries, as the case may be, taking into account financial parameters such as net profit after tax, return on equity and earnings growth;
- (b) the years of service and individual performance of the eligible ~~Group Employee~~ **Participant**;
- (c) the contribution of the eligible ~~Group Employee~~ **Participant** to the success and development of the Company and/or the Group; and
- (d) the prevailing market and economic conditions.

10. VARIATION OF CAPITAL

10.1 If a variation in the issued share capital of the Company (whether by way of ~~a capitalisation of profits, reserves, rights issue, capital~~ reduction ~~(including any reduction arising by reason of the Company purchasing or acquiring its issued Shares)~~, subdivision, consolidation of Shares or distribution, ~~or issues for cash or for shares or otherwise howsoever~~), shall take place, then:

- (a) the Exercise Price in respect of the Shares comprised in any Option(s) to the extent unexercised;
- (b) the class and/or number of Shares comprised in any Option(s) to the extent unexercised and the rights attached thereto;
- (c) the maximum entitlement in any one (1) Financial Year; and/or
- (d) the class and/or number of Shares in respect of which additional Options may be granted to Participants,

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may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the date of the exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting as experts and not as arbitrators), that in their opinion, such adjustment (or absence of adjustment) is fair and reasonable.

10.2 Notwithstanding the provisions of Rule 10.1 of the Scheme above:

- (a) no such adjustment shall be made:
 - (i) if as a result, the ~~Participant~~ **Grantee** receives a benefit that a Shareholder does not receive;
 - (ii) if ~~as a result,~~ such adjustment will result in the number of Shares ~~comprised in an Option, together with new Shares to be issued~~ **and/or issuable in respect of all Options granted under the Scheme or all Shares, options or awards granted under any other share option or share scheme of the Company then in force the Plan,** to exceed 15% of the total number of issued Shares of the Company (excluding treasury shares) ~~for the time being from time to time;~~ and
 - (iii) ~~unless the Committee after considering all relevant circumstances considers it equitable to do so; and~~
- (b) any adjustment (except in relation to a ~~capitalization~~ **capitalisation** 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.

10.3 Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

- (a) issue of securities as consideration for an acquisition of any assets by the Company, or a private placement of securities of the Company;
- (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the ~~Listing~~ **Catalist** Rules, undertaken by the Company on ~~the SGX-ST~~ **Catalist**, during the period when a share purchase mandate granted by the Shareholders (including any renewal of such mandate) is in force;
- (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including directors or employees of the Company **and/or** any of its subsidiaries pursuant to ~~purchase or option share option or share schemes of the Company~~ **approved by Shareholders in general meeting, including the Scheme and the Plan;**
- (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any case in consideration or part consideration for the acquisition of any other securities, assets or business; and
- (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

~~**10.4** The restriction on the number of Shares to be offered to any Grantee under Rule 6 of the Scheme above, shall not apply to the number of additional Shares or Options over additional Shares issued by virtue of any adjustment to the number of Shares and/or Options pursuant to this Rule 10.~~

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- 10.5 Upon any adjustment required to be made, the Company shall notify each ~~Participant-Grantee~~ (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in the Option(s) so far as unexercised and the maximum entitlement in any one **(1)** Financial Year. Any adjustment shall take effect upon such written notification being given.

11. OPTION PERIOD

- 11.1 Options granted with the Exercise Price set at the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof) at any time, by a ~~Participant-Grantee~~ after the first **(1st)** anniversary of the Date of Grant of that Option, provided always that Options shall be exercised before the 10th anniversary of the relevant Date of Grant except in the case of Options granted to non-executive directors and independent directors **of the Company** where the exercise period may not exceed five (5) years from the Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void **and of no effect** and a ~~Participant~~ **the relevant Grantee** shall have no claim **whatsoever** against the Company.

- 11.2 Options granted with the Exercise Price set at a discount to the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof) at any time, by a ~~Participant-Grantee~~ after the second (2nd) anniversary of the Date of Grant of that Option, provided always that the Options shall be exercised before the 10th anniversary of the relevant Date of Grant **except in the case of Options granted to non-executive directors and independent directors of the Company where the exercise period may not exceed five (5) years from the Date of Grant** or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void **and of no effect** and a ~~Participant~~ **the relevant Grantee** shall have no claim **whatsoever** against the Company.

- 11.3 An Option shall, to the extent unexercised, immediately lapse and become null and void **and of no effect** and a ~~Participant~~ **the relevant Grantee** shall have no claim **whatsoever** against the Company in the following circumstances:

- (a) subject to ~~Rules~~ **Rule** 11.4, **Rule** 11.5 and **Rule** 11.6 **of the Scheme**, upon the ~~Participant~~ **Grantee** ceasing to be a Group Employee or a Director for any reason whatsoever; or
- (b) upon the bankruptcy of the ~~Participant-Grantee~~ or the happening of any other event which results in ~~his~~ **him** being deprived of the legal or beneficial ownership of such Option; or
- (c) in the event of events resulting in termination for cause including but not limited to gross negligence, ~~willful~~ **willful** misconduct, insubordination or incompetence on the part of the ~~Participant-Grantee~~, as determined by the Committee in its absolute discretion.

For the purpose of Rule 11.3(a) **of the Scheme**, the ~~Participant-Grantee~~ shall be deemed to have ceased being so employed as ~~of at~~ the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, no Option shall lapse ~~pursuant to~~ **in accordance with** Rule 11.3(a) **of the Scheme** in the event of any transfer of employment of a ~~Participant-Grantee~~ within the Group or upon the cessation of employment of a Director.

- 11.4 Where a ~~Participant-Grantee~~ who is a Director, ceases to be a Director for any reason whatsoever, he shall, notwithstanding Rule 11 and Rule 12 **of the Scheme**, be entitled to exercise in full all unexercised Options from the date he ceases to be a Director until the end of the relevant Option Period.

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11.5 If a ~~Participant~~**Grantee** ceases to be in the employment of the Group by reason of:

- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee;
- (e) the subsidiary, by which he is principally employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such subsidiary, being transferred otherwise than to another company within the Group; or
- (f) for any other reason approved in writing by the Committee,

he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall immediately lapse and become null and void **and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.**

11.6 If a ~~Participant~~**Grantee** dies and at the date of his death holds any unexercised Option(s), such Option(s) may, at the absolute discretion of the Committee, be exercisable by the duly appointed legal personal representative(s) of the ~~Participant~~**Grantee** from the date of his death to the end of the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void **and of no effect.**

11.7 The Committee may, by notification, provide for further restrictions on the period during which Options may be exercised (whether granted with the Exercise Price set at a discount to Market Price or not) whether by providing a schedule for the vesting of Shares comprised in the relevant Options or otherwise.

12. EXERCISE OF OPTIONS, ALLOTMENT AND LISTING OF SHARES

12.1 An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), by a ~~Participant~~**Grantee** giving notice in writing to the Company in or substantially in the form set out in Schedule 3 (the “**Exercise Notice**”), subject to such amendments **or modifications** as the Committee may **determine** from time to time ~~determine~~. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any), any other applicable administrative or handling fees or charges by the SGX-ST, CDP or agent, and any other documentation the Committee may require. All payment shall be made by cheque, cashier’s order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

12.2 Subject to:

- (a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
- (b) compliance with the Rules of the Scheme and the ~~Memorandum and Articles~~**Constitution** of the Company,

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the Company shall, as soon as practicable after the exercise of an Option by a ~~Participant Grantee~~ but in any event within 10 Market Days (or such other period as may be permitted by the Catalyst Rules ~~of the SGX-ST~~) after the date of the exercise of the said Option in accordance with Rule 12.1 ~~of the Scheme~~, allot and issue the Shares in respect of which such Option has been exercised by the ~~Participant Grantee~~ and within five (5) Market Days from the date of such allotment, despatch the relevant share certificates to the ~~Participant Grantee~~ or, if the Shares are listed and quoted on ~~the SGX-ST Catalyst~~, to CDP for the credit of the ~~securities account~~ **Securities Account** or securities sub-account **or CPF investment account** of that ~~Participant Grantee~~ by ordinary post or such other mode of delivery as the Committee may deem fit.

- 12.3 The Company shall, if necessary, as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares ~~are quoted or may be listed or~~ **quoted from time to time** for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the ~~Participant Grantee~~ pursuant to any adjustments made in accordance with Rule 10 ~~of the Scheme~~.
- 12.4 Shares which are ~~all~~ allotted on the exercise of an Option by a ~~Participant Grantee~~ shall be issued, as the ~~Participant Grantee~~ may elect, in his name or, if the Shares are listed and quoted on ~~the SGX-ST Catalyst~~, in the name of CDP to the credit of the ~~securities account~~ **Securities Account** of the ~~Participant Grantee~~ maintained with CDP or the ~~Participant's Grantee's~~ securities sub-account **maintained** with a CDP-Depository Agent **or the CPF investment account maintained with a CPF agent bank**.
- 12.5 Shares allotted and issued upon the exercise of an Option shall be subject to all provisions of ~~the Catalyst Rules~~, the Companies Act, ~~the SFA~~ and the ~~Memorandum and Articles Constitution~~ of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Shares, including those rights which arise from a liquidation of the Company) and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividend, right, allotment or other distribution, the Record Date for which is prior to the date such Option is exercised.
- 12.6 Except as set out in Rule 12.2 ~~of the Scheme~~ and subject to Rule 10 ~~of the Scheme~~, an Option does not confer on a ~~Participant Grantee~~ any right to participate in any new issue of Shares.
- 12.7 The Company shall keep available sufficient unissued Shares to satisfy the full exercise of all Options for the time being remaining capable of being exercised.
- ~~12.8 Shares allotted and issued upon the exercise of an Option shall not be sold within two years.~~

13. AMENDMENTS, MODIFICATIONS AND/OR ALTERATIONS TO THE SCHEME

- 13.1 Any or all of the provisions of the Scheme may be **amended**, modified and/or altered at any time and from time to time by resolution of the Committee except that:
- (a) any **amendment**, modification or alteration which shall ~~alter~~ adversely **alter** the rights attached to any Options granted prior to such **amendment**, modification or alteration and which in the opinion of the Committee, materially ~~alters~~ the rights attaching to any Option(s) granted prior to such **amendment**, modification or alteration may only be made with the consent in writing of such number of ~~Participants-Grantees~~ who, if they exercised their Options in full, would thereby become entitled to not less than three quarters of the total number of all the Shares which would fall to be issued and allotted upon exercise in full of all outstanding Options;
 - (b) any **amendment**, modification or alteration which would be to the advantage of ~~Participants~~ **Grantees** under the Scheme shall be subject to the prior approval of Shareholders at a general meeting; and

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- (c) no **amendment**, modification or alteration shall be made without the prior approval of the SGX-ST (if required) or any other stock exchange on which the Shares ~~are quoted or may be listed~~ **or quoted from time to time**, and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a) **of the Scheme**, the opinion of the Committee as to whether any **amendment**, modification or alteration would ~~alter~~ adversely **alter** the rights attaching to any Option shall be final and conclusive.

- 13.2** Notwithstanding anything to the contrary contained in Rule 13.1 **of the Scheme**, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST if necessary) amend, **modify and/or** alter the Scheme in any way to the extent necessary to cause the Scheme 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).
- 13.3** Written notice of any **amendment**, modification or alteration made in accordance with this Rule **13** shall be given to all ~~Participants~~ **Grantees under the Scheme**.

14. DURATION OF THE SCHEME

- 14.1** The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted by Shareholders at a general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the Scheme may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and **the approval** of any relevant authorities which may then be required.
- 14.2** The Scheme may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 14.3** The termination, discontinuance or expiry of the Scheme shall be without prejudice to the rights accrued to Options which have been granted and accepted ~~as provided in~~ **accordance with** Rule 8 **of the Scheme**, whether such Options have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING UP OF THE COMPANY

- 15.1** In the event of a take-over offer being made for the Company, ~~Participants-Grantees~~ **Grantees** (including ~~Participants-Grantees~~ holding Options which are then not exercisable ~~pursuant to~~ **in accordance with** the provisions of Rule 11.1 and/or **Rule 11.2 of the Scheme**) holding Options as yet unexercised shall, notwithstanding Rule 11 and **Rule 12 of the Scheme** but subject to Rule 15.5 **of the Scheme**, be entitled to exercise such Options in full or in part during the period commencing on the date on which such **take-over** offer is made or, if such **take-over** offer is conditional, the date on which the **take-over** offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
- (a) the expiry of six ~~(6)~~ months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Committee and (if so required) the SGX-ST, such expiry date is extended to a later date (being a date falling not later than the date of expiry of the Option Period relating thereto); or
- (b) the date of the expiry of the Option Period relating thereto~~;~~,

whereupon any Option(s) then remaining unexercised shall immediately lapse and become null and void **and of no effect and the relevant Grantee shall have no claim whatsoever against the Company**.

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Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under any relevant regulatory provisions or legislation and, being entitled to do so, gives notice to the ~~Participants~~Grantees that it intends to exercise such rights on a specified date, all Options shall remain exercisable by the ~~Participants~~Grantees until such specified date or the expiry of the respective Option Periods relating thereto, whichever is earlier.

Any ~~option(s)~~ Option not so exercised by the said specified date shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company, provided that the rights of acquisition or obligation to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall, subject to Rule 11 of the Scheme, remain exercisable until the expiry of the Option Period. For the avoidance of doubt, the provisions of this Rule 15.1 shall not come into operation in the event that a take-over offer which is conditional does not or is not declared unconditional.

- 15.2 If under any applicable laws, the court sanctions 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, ~~Participants~~Grantees (including ~~Participants~~Grantees holding Options which are then not exercisable ~~pursuant to~~ in accordance with the provisions of Rule 11.1 or Rule 11.2 of the Scheme) shall notwithstanding Rule 11 of the Scheme but subject to Rule 15.5 of the Scheme, be entitled to exercise any Option then held by them during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon any unexercised Option(s) shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company, ~~Provided Always~~ provided always that the date of exercise of any Option(s) shall be before the expiry of the relevant Option Period.
- 15.3 If an order or an effective resolution is passed for the ~~winding-up~~ winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.
- 15.4 In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all ~~Participants~~Grantees (together with a notice of the existence of the provisions of this Rule 15.4) and thereupon, each ~~Participant~~Grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two (2) business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the ~~Participant~~Grantee credited as fully paid.
- 15.5 If in connection with the making of a ~~general take-over~~ offer referred to in Rule 15.1 of the Scheme above or the ~~scheme compromise or arrangement~~ referred to in Rule 15.2 of the Scheme above or the ~~winding-up~~ winding-up referred to in Rule 15.4 of the Scheme above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of ~~Participants~~Grantees, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a ~~Participant~~Grantee holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option ~~as provided for in~~ in accordance with this Rule 15.

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- 15.6** If the events stipulated in this Rule 15 should occur, to the extent that an Option is not exercised within the respective periods referred to herein in this Rule 15, it shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.

16. ADMINISTRATION OF THE SCHEME

- 16.1** The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred upon it by the Board.
- 16.2** The Committee shall have the power, from time to time, to make regulations or vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.
- 16.3** Any decision of the Committee, made pursuant to any provision of the Scheme (other than a ~~matte~~ matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes and uncertainty as to the interpretation of the Scheme or any ~~rule~~ Rule, regulation, or procedure thereunder or as to any rights under this Scheme).
- 16.4** As a safeguard against abuse, pursuant to the Catalist Rules, a Participant who is a member of the Committee shall not be involved in its deliberation in respect of Options (if any) to be granted to him. Further, where Options are proposed to be granted to ~~or held by~~ Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Committee) ~~who are not~~ except for those Directors, Controlling Shareholders or their Associates ~~of Controlling Shareholders~~, will be involved in deliberation on the same.

17. NOTICES

- 17.1** Any notice given by a Participant to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Participant in writing.
- 17.2** Any notice or documents required to be given by the Company to a Participant or any correspondences 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 sent to the Participant by hand or sent to him at his home address stated in the records of the Company or the last known address of the Participant, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

The Scheme or any Option shall not form part of any contract of employment between the Company or any ~~subsidiary of the Company's subsidiaries~~ (as the case may be) and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Scheme or any right which he may be entitled to participate in it or any Option which he may hold and the Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

19. TAXES

All taxes (including income tax) arising from the exercise of any Option granted to any ~~Participant~~ Grantee under the Scheme shall be borne by that ~~Participant~~ Grantee.

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20. COSTS AND EXPENSES OF THE SCHEME

20.1 Each ~~Participant-Grantee~~ shall be responsible for all fees of CDP (if any) relating to or in connection with the issue and allotment of any Shares in CDP's name pursuant to the exercise of any Option ~~in CDP's name~~, the deposit of share certificate(s) with CDP, the ~~Participant's securities account~~ Grantee's Securities Account maintained with CDP or the ~~Participant's-Grantee's~~ securities sub-account maintained with a CDP-Depository Agent or CPF investment ~~amount~~ account maintained with a CDP agent bank and all taxes referred to in Rule 19 of the Scheme which shall be payable by the relevant ~~Participant-Grantee~~.

20.2 Save for the taxes referred to in Rule 19 of the Scheme and such costs and expenses expressly provided in the Scheme to be payable by the ~~Participants-Grantees~~, all fees, costs, and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of the Shares pursuant to the exercise of any Option shall be borne by the Company.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages (including any interest arising thereof), whatsoever and howsoever arising in respect of any matter under or in connection with the Scheme including but not limited to the Company's delay or failure in allotting and issuing the Shares or in applying for or procuring the listing of and quotation for the Shares allotted pursuant to the exercise of any Option ~~on the SGX-ST Catalyst~~ or, if applicable, any other stock exchanges on which the Shares ~~are quoted or~~ may be listed or quoted from time to time.

22. CONDITION OF OPTION

Every Option shall be subject to the condition that no Share shall be issued pursuant to the exercise of an Option if such issue 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 other relevant country having jurisdiction in relation to the issue of Shares hereto.

23. DISCLOSURE IN ANNUAL REPORTS

The Company shall, for so long as the Scheme continues in operation, make the following disclosure in its annual report:

- (a) the names of the members of the Committee administering the Scheme;
- (b) the information required in the table below for the following ~~Participants-Grantees~~ (which for avoidance of doubt, shall include ~~Participants-Grantees~~ who have exercised all their Options in any particular Financial Year):
 - (i) ~~Participants-Grantees~~ who are Directors of the Company;
 - (ii) ~~Participants-Grantees~~ who are Controlling Shareholders and their Associates; and

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- (iii) ~~Participants~~ **Grantees**, other than those in (i) and (ii) above, who receive 5% or more of the total number of Options available under the Scheme;

Name of Participant	Options granted during the Financial Year under review (including terms)	Aggregate Options granted since commencement of Scheme to end of Financial Year under review	Aggregate Options exercised since commencement of Scheme to end of Financial Year under review	Aggregate Options outstanding as at the end of Financial Year under review

- (c) (i) the names of and number and terms of Options granted to each director or employee of the ~~parent company~~ **Company** and its subsidiaries who receives 5% or more of the total number of Options available to all directors and employees of the ~~parent company~~ **Company** and its subsidiaries under the Scheme, during the Financial Year under review; and
- (iii) the aggregate number of Options granted to the directors and employees of the ~~parent company~~ **Company** and its subsidiaries for the Financial Year under review, and since the commencement of the Scheme to the end of the Financial Year under review;
- (d) the number and proportion of Options granted at a discount during the Financial Year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and
- (e) any other information required to be so disclosed pursuant to the Catalist Rules and all other applicable laws and requirements,

provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

24. 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.

25. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme.

26. GOVERNING LAW

The Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The ~~participants~~ **Grantees**, by accepting the offer of the grant of Options in accordance with the Scheme, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

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27. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA

For the purposes of implementing and administering the Scheme, and in order to comply with any applicable laws, listing rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Letter of Offer and/or any other notice or communication given or received pursuant to the Scheme, and/or which is otherwise collected from the Participants (or their authorised representative(s)). By participating in the Scheme, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with the Scheme, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.

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Schedule 1

NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER

Serial No. _____

Private and Confidential

[Date]

To: [Name]
[Designation]
[Address]

Dear Sir/Madam,

1. We have the pleasure of informing you that, pursuant to the Net Pacific Employee Share Option Scheme (the “**Scheme**”), you have been nominated to participate in the Scheme by the Committee (the “**Committee**”) appointed by the Board of Directors of Net Pacific Financial Holdings Limited (the “**Company**”) to administer the Scheme. Terms as defined in the Scheme shall have the same meanings when used in this letter.
2. Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you an option (the “**Option**”) to subscribe for and be allotted _____ Shares at the price of S\$_____ for each Share (the “**Exercise Price**”).
3. The Option is personal to you and shall not be **sold, mortgaged**, transferred, charged, **assigned** pledged, ~~assigned~~ or otherwise disposed of **or encumbered** by you, in whole or in part **or in any way whatsoever**, except with the prior **written** approval of the Committee.
4. The Option shall be subject to the ~~terms~~ **Rules** of the Scheme, a copy of which is available for inspection at the registered address of the Company.
5. If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form with a sum of S\$_____ **S\$1.00** not later than 5.00 p.m. on _____, failing which this offer will lapse.

Yours faithfully,
For and on behalf of the Company,

Name:
Designation:

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Schedule 2

NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

ACCEPTANCE FORM

Serial No. _____

Private and Confidential

To: The Committee,
NET PACIFIC EMPLOYEE SHARE OPTION SCHEME
NET PACIFIC FINANCIAL HOLDINGS LIMITED
[Address]

Closing Date for Acceptance of Offer : _____

Number of Shares Offered : _____

Exercise Price for each Share : **S\$** _____

Total Amount Payable : **S\$** _____

I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the Option to subscribe for _____ Shares at S\$ _____ for each Share. I enclose cash for ~~S\$ _____~~ **S\$1.00** in payment for the purchase of the Option. ~~I authorise my employer to deduct the sum of S\$ _____ from my salary in payment for the purchase of the Option.~~

I understand that I am not obliged to exercise the Option.

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of Shares in the Company or options to subscribe for such Shares.

I agree to keep all information pertaining to the grant of the Option to me confidential. I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitutes the entire agreement between us relating to the offer.

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Please print in block letters

Name in ~~full~~ **Full** : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Please delete accordingly.

Notes:

1. ~~Shares~~ **The Option** must be accepted in full or in multiples of 1,000 **Shares**.
2. The Acceptance Form must be forwarded to the Committee in an envelope marked "Private and Confidential".
3. The ~~Participant~~ **Grantee** shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of the Option.

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Schedule 3

NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

FORM OF EXERCISE OF OPTION

Serial No. _____

Private and Confidential

To: The Committee,
NET PACIFIC EMPLOYEE SHARE OPTION SCHEME
NET PACIFIC FINANCIAL HOLDINGS LIMITED
[Address]

Total number of ordinary shares (the “**Shares**”) offered at S\$_____ for each Share (the “**Exercise Price**”) under the Scheme on _____ (Date of Grant) : _____

Number of Shares previously allotted thereunder : _____

Outstanding balance of Shares to be allotted thereunder : _____

Number of Shares now to be subscribed : _____

-
1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, I hereby exercise the Option to subscribe for _____ Shares in Net Pacific Financial Holdings Limited (the “Company”) at S\$_____ for each Share.
 2. I enclose a *cheque/cashier’s order/banker’s draft/postal order no. _____ for S\$_____ by way of subscription for the total number of the said Shares.
 3. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the ~~Net Pacific Employee Share Option Scheme~~ and the ~~Memorandum and Articles of Association~~ **Constitution** of the Company.
 4. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.
 5. I request the Company to allot and issue the Shares in ***my name/**the name of The Central Depository (Pte) Limited (the “**CDP**”) for credit of my ~~*securities account~~ **Securities Account** with CDP/sub-account with the Depository Agent/CPF investment account with ~~my Agent Bank~~ **the CPF agent bank** specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP in respect thereof.

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Please print in block letters

Name in ~~full~~ **Full** : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

~~Signature~~ : _____

~~Date~~ : _____

*Direct Securities Account No. : _____

OR

*Sub-Account No. : _____

Name of Depository Agent : _____

OR

*CPF Investment **Account No.** : _____

~~Account No~~ : _____

Name of Agent Bank : _____

Signature : _____

Date : _____

* Please delete accordingly.

Notes:

1. An Option may be exercised, in whole or in part, provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof.
2. The Exercise Notice must be forwarded to the Committee in an envelope marked "Private and Confidential".
3. The ~~Participant~~ **Grantee** shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of the Option.

APPENDIX B

THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

1. NAME OF THE SCHEME

This employee share option scheme shall be called the “**Net Pacific Employee Share Option Scheme**”.

2. DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Associate”	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (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 (b) in relation to a Substantial Shareholder or 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
“Board of Directors” or “Board”	:	The board of directors of the Company for the time being
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended or modified from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Committee”	:	A committee comprising Directors and such other persons (if any) as may be duly authorised and appointed by the Board to administer the Scheme
“Company”	:	Net Pacific Financial Holdings Limited
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time

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“Constitution”	:	The constitution of the Company, as may be amended or modified from time to time
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operation policies of the Company
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury Share 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
“Date of Grant”	:	The date on which an Option is granted to a Participant in accordance with the Rules of the Scheme
“Directors”	:	The directors of the Company
“Exercise Price”	:	The price at which a Grantee shall subscribe for each Share upon the exercise of an Option, as determined in accordance with Rule 9 of the Scheme, or such adjusted price as may be applicable in accordance with Rule 10 of the Scheme
“Financial Year”	:	Financial year of the Company ended or ending 31 December (as the case may be)
“Grantee”	:	The person to whom an offer of any Option is made
“Group”	:	The Company and its subsidiaries collectively
“Group Employee”	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme in accordance with the Rules of the Scheme
“Group Executive Director”	:	A Director of the Company and/or a director of the Company’s subsidiaries, as the case may be, who performs an executive function
“Market Day”	:	A day on which SGX-ST is open for securities trading
“Market Price”	:	The average of the last dealt prices for a Share determined by reference to the daily Official List (as defined in the Catalist Rules) published by the SGX-ST for a period of five (5) consecutive Market Days immediately prior to the relevant Offer Date of the Option, provided always that in the case of a Market Day on which the Shares of the Company are not traded on the SGX-ST, the last dealt price for Shares

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on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent

“NTA”	:	Net tangible assets
“Offer Date”	:	The date on which an offer to grant an Option is made in accordance with the Rules of the Scheme
“Option”	:	The right to subscribe for Shares granted in accordance with the Rules of the Scheme
“Option Period”	:	The period for the exercise of an Option being: (a) in the case of an Option granted with the Exercise Price set at the Market Price, a period commencing after the first (1st) anniversary of the Date of Grant of that Option and expiring on the 10th anniversary of such Date of Grant, subject to Rule 11 and Rule 15 of the Scheme and any other conditions as may be determined by the Committee from time to time; and (b) in the case of an Option granted with the Exercise Price set at a discount to the Market Price, a period commencing after the second (2nd) anniversary of the Date of Grant that Option and expiring on the 10th anniversary of such Date of Grant, subject to Rule 11 and Rule 15 of the Scheme and any other conditions as may be determined by the Committee from time to time
“Participant”	:	A person who is selected by the Committee to participate in the Scheme in accordance with the Rules of the Scheme
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business on which Shareholders must be registered with the Company and/or CDP, as the case may be, in order to participate in any such dividends, rights, allotments or other distributions
“Rules”	:	The rules of the Scheme, as may be amended or modified from time to time
“Scheme”	:	The Net Pacific Employee Share Option Scheme, as may be amended or modified from time to time
“Securities Account”	:	The securities account maintained by Depositors with CDP but not including the securities accounts maintained with a Depository Agent

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“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share(s)”	:	Ordinary share(s) in the capital of the Company
“Shareholders”	:	The registered holders of the Shares in the register of members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to those Shares held by CDP and where the context so admits, mean the persons named as Depositors whose Securities Accounts such Shares are credited
“Substantial Shareholders”	:	A person who has an interest or interests in the voting Shares representing not less than 5% of all the voting Shares
<u>Currencies, Units and Others</u>		
“SGD”, “S\$”, “\$” or “cents”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“%” or “per cent”	:	Per centum or percentage

2.2 The terms **“Depositor”**, **“Depository Register”** and **“Depository Agent”** shall have the same meanings ascribed to them respectively by Section 81SF of the SFA. The terms “associated company” and “subsidiary” shall have the same meanings ascribed to them respectively in the Catalist Rules and the Companies Act.

2.3 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, where applicable, include corporations.

2.4 Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Catalist Rules, the Companies Act, the SFA or any statutory modification thereof and used in the Scheme shall, where applicable, have the same meaning assigned to it under the Catalist Rules, the Companies Act, the SFA or any statutory modification thereof, as the case may be, unless the context requires otherwise.

2.5 Any reference in the Scheme to a time of day or date in the Scheme shall be a reference to Singapore time and dates, unless otherwise stated.

3. OBJECTIVES OF THE SCHEME

The objectives of the Scheme are as follows:

- (a) to motivate Participants to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key employees whose contributions are important to the long-term growth and prosperity of the Group;
- (c) to instil loyalty and a strong sense of identity in the Participants to motivate Participants to contribute to the long-term growth and prosperity of the Group;

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THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for Shareholders; and
- (e) to align the interests of Participants with the interests of Shareholders.

4. ELIGIBILITY OF PARTICIPANTS

4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Scheme:

- (a) Group Employees; and
- (b) Directors,

provided that, as at the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

4.2 Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the Scheme, provided that the participation of the Controlling Shareholder and/or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution setting out the specific number and terms of such grants. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders and/or their Associates any Options (including the rationale for any discount to the Market Price, if so proposed).

4.3 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme implemented by any other company within the Group.

4.4 Subject to the Catalist Rules, the Companies Act and any other requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted from time to time (if applicable), the eligibility criteria for participation in the Scheme may be amended or modified from time to time at the absolute discretion of the Committee.

5. MAXIMUM ENTITLEMENT

Subject to Rule 4 and Rule 6 of the Scheme, the number of Shares over which Options may be granted to a Participant for subscription under the Scheme shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as the Participant's rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Participant and the prevailing market and economic conditions.

6. SIZE OF THE SCHEME

6.1 The aggregate number of Shares over which Options may be granted on any date under the Scheme, when added to the number of Shares issued and/or issuable in respect of:

- (a) all Options granted under the Scheme; and
- (b) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 15% of the total issued Shares of the Company excluding treasury shares on the Date of Grant and from time to time.

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- 6.2 The aggregate number of Shares over which Options may be granted under the Scheme to the Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the Scheme, and the number of Shares over which an Option may be granted under the Scheme to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Scheme.

7. OFFER DATE

- 7.1 Save as provided in Rule 4, Rule 5 and Rule 6 of the Scheme, the Committee may offer to grant Options to such Participants as it may select in its absolute discretion at any time during the period when the Scheme is in force, except that, for so long as the Shares are listed and quoted on the Catalist, no Options shall be granted during the period of one (1) month immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement is made on any matter of an exceptional nature involving unpublished price sensitive information, offers to grant Options may only be made on or after the second (2nd) Market Day on which such announcement is-made.

- 7.2 An offer to grant an Option to a Participant shall be made by way of a letter (the "**Letter of Offer**") in the form or substantially in the form set out in Schedule 1, subject to such amendments or modifications as the Committee may determine from time to time.

8. ACCEPTANCE OF OFFER

- 8.1 An Option offered to a Grantee in accordance with Rule 7 of the Scheme may only be accepted by the Grantee within 30 days after the relevant Offer Date and not later than 5.00 p.m. on the 30th day from such Offer Date by (a) completing, signing and returning to the Company the Acceptance Form in or substantially in the form set out in Schedule 2, subject to such amendments or modifications as the Committee may determine from time to time accompanied by the payment of S\$1.00 as consideration (the "**Consideration**") or such other amounts and such other documentation as the Committee may require; and (b) if, at the date on which the Committee, for and on behalf of the Company, receives from the Grantee the Acceptance Form and the Consideration in respect of the Option as aforesaid, he remains eligible to participate in the Scheme in accordance with the Rules of the Scheme.
- 8.2 The Grantee may accept or refuse the whole or part of the Option offered. If only part of the Option offered is accepted, the Grantee shall accept the Option offered in multiples of 1,000 Shares. The Committee shall within 15 Market Days of receipt of the Acceptance Form and the Consideration, acknowledge receipt of the same.
- 8.3 If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, the Option offered shall, upon the expiry of the 30 day period referred to in Rule 8.1 of the Scheme, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.
- 8.4 The Company shall be entitled to reject any purported acceptance of a grant of an Option made in accordance with this Rule 8 or Exercise Notice given in accordance with Rule 12 of the Scheme which does not comply strictly with the Rules of the Scheme.
- 8.5 Options are personal to the Grantees to whom they are granted and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Grantee's duly appointed personal representative(s) as provided in Rule 11.6 of the Scheme in the event of the death of such Grantee.
- 8.6 In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.

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THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:

- (a) it is not accepted strictly in the manner as provided in Rule 8.1 of the Scheme within the 30 day period referred to therein; or
- (b) the Grantee dies prior to his acceptance of the Option; or
- (c) the Grantee is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
- (d) the Grantee, being a Group Employee or a Director, ceases to be in the employment of the Group or ceases to be a Director, in each case, for any reason whatsoever prior to his acceptance of the Option; or
- (e) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

9. EXERCISE PRICE

9.1 Subject to any adjustment in accordance with Rule 10 of the Scheme, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at:

- (a) the Market Price; or
- (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee at its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price (or such other percentage or amount prescribed or permitted by the SGX-ST) and approved by the Shareholders at a general meeting in a separate resolution in respect of that Option.

9.2 In making any determination under Rule 9.1(b) of the Scheme on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:

- (a) the performance of the Company and its subsidiaries, as the case may be, taking into account financial parameters such as net profit after tax, return on equity and earnings growth;
- (b) the years of service and individual performance of the eligible Participant;
- (c) the contribution of the eligible Participant to the success and development of the Company and/or the Group; and
- (d) the prevailing market and economic conditions.

10. VARIATION OF CAPITAL

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

- (a) the Exercise Price in respect of the Shares comprised in any Option(s) to the extent unexercised;
- (b) the class and/or number of Shares comprised in any Option(s) to the extent unexercised and the rights attached thereto;

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THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

- (c) the maximum entitlement in any one (1) Financial Year; and/or
- (d) the class and/or number of Shares in respect of which additional Options may be granted to Participants,

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the date of the exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting as experts and not as arbitrators), that in their opinion, such adjustment (or absence of adjustment) is fair and reasonable.

10.2 Notwithstanding the provisions of Rule 10.1 of the Scheme above:

- (a) no such adjustment shall be made:
 - (i) if as a result, the Grantee receives a benefit that a Shareholder does not receive;
 - (ii) if such adjustment will result in the number of Shares issued and/or issuable in respect of all Options granted under the Scheme or all Shares, options or awards granted under any other share option or share scheme of the Company then in force to exceed 15% of the total number of issued Shares of the Company excluding treasury shares from time to time; and
 - (iii) unless the Committee after considering all relevant circumstances considers it equitable to do so; and
- (b) any adjustment (except in relation to a capitalisation 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.

10.3 Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

- (a) issue of securities as consideration for an acquisition of any assets by the Company, or a private placement of securities of the Company;
- (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Catalist Rules, undertaken by the Company on Catalist, during the period when a share purchase mandate granted by the Shareholders (including any renewal of such mandate) is in force;
- (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including directors or employees of the Company and/or any of its subsidiaries pursuant to share option or share schemes of the Company approved by Shareholders in general meeting, including the Scheme;
- (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any case in consideration or part consideration for the acquisition of any other securities, assets or business; and
- (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

10.4 Upon any adjustment required to be made, the Company shall notify each Grantee (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in

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effect and the class and/or number of Shares thereafter comprised in the Option(s) so far as unexercised and the maximum entitlement in any one (1) Financial Year. Any adjustment shall take effect upon such written notification being given.

11. OPTION PERIOD

11.1 Options granted with the Exercise Price set at the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof) at any time, by a Grantee after the first (1st) anniversary of the Date of Grant of that Option, provided always that Options shall be exercised before the 10th anniversary of the relevant Date of Grant except in the case of Options granted to non-executive directors and independent directors of the Company where the exercise period may not exceed five (5) years from the Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.

11.2 Options granted with the Exercise Price set at a discount to the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof) at any time, by a Grantee after the second (2nd) anniversary of the Date of Grant of that Option, provided always that the Options shall be exercised before the 10th anniversary of the relevant Date of Grant except in the case of Options granted to non-executive directors and independent directors of the Company where the exercise period may not exceed five (5) years from the Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.

11.3 An Option shall, to the extent unexercised, immediately lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company in the following circumstances:

- (a) subject to Rule 11.4, Rule 11.5 and Rule 11.6 of the Scheme, upon the Grantee ceasing to be a Group Employee or a Director for any reason whatsoever; or
- (b) upon the bankruptcy of the Grantee or the happening of any other event which results in him being deprived of the legal or beneficial ownership of such Option; or
- (c) in the event of events resulting in termination for cause including but not limited to gross negligence, wilful misconduct, insubordination or incompetence on the part of the Grantee, as determined by the Committee in its absolute discretion.

For the purpose of Rule 11.3(a) of the Scheme, the Grantee shall be deemed to have ceased being so employed as at the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, no Option shall lapse in accordance with Rule 11.3(a) of the Scheme in the event of any transfer of employment of a Grantee within the Group or upon the cessation of employment of a Director.

11.4 Where a Grantee who is a Director, ceases to be a Director for any reason whatsoever, he shall, notwithstanding Rule 11 and Rule 12 of the Scheme, be entitled to exercise in full all unexercised Options from the date he ceases to be a Director until the end of the relevant Option Period.

11.5 If a Grantee ceases to be in the employment of the Group by reason of:

- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
- (b) redundancy;

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THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee;
- (e) the subsidiary, by which he is principally employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such subsidiary, being transferred otherwise than to another company within the Group; or
- (f) for any other reason approved in writing by the Committee,

he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall immediately lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.

- 11.6** If a Grantee dies and at the date of his death holds any unexercised Option(s), such Option(s) may, at the absolute discretion of the Committee, be exercisable by the duly appointed legal personal representative(s) of the Grantee from the date of his death to the end of the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void and of no effect.
- 11.7** The Committee may, by notification, provide for further restrictions on the period during which Options may be exercised (whether granted with the Exercise Price set at a discount to Market Price or not) whether by providing a schedule for the vesting of Shares comprised in the relevant Options or otherwise.

12. EXERCISE OF OPTIONS, ALLOTMENT AND LISTING OF SHARES

- 12.1** An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), by a Grantee giving notice in writing to the Company in or substantially in the form set out in Schedule 3 (the “**Exercise Notice**”), subject to such amendments or modifications as the Committee may determine from time to time. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any), any other applicable administrative or handling fees or charges by the SGX-ST, CDP or agent, and any other documentation the Committee may require. All payment shall be made by cheque, cashier’s order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

12.2 Subject to:

- (a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
- (b) compliance with the Rules of the Scheme and the Constitution of the Company,

the Company shall, as soon as practicable after the exercise of an Option by a Grantee but in any event within 10 Market Days (or such other period as may be permitted by the Catalist Rules) after the date of the exercise of the said Option in accordance with Rule 12.1 of the Scheme, allot and issue the Shares in respect of which such Option has been exercised by the Grantee and within five (5) Market Days from the date of such allotment, despatch the relevant share certificates to the Grantee or, if the Shares are listed and quoted on Catalist, to CDP for the credit of the Securities Account or securities sub-account or CPF investment account of that Grantee by ordinary post or such other mode of delivery as the Committee may deem fit.

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- 12.3** The Company shall, if necessary, as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares may be listed or quoted from time to time for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Grantee pursuant to any adjustments made in accordance with Rule 10 of the Scheme.
- 12.4** Shares which are allotted on the exercise of an Option by a Grantee shall be issued, as the Grantee may elect, in his name or, if the Shares are listed and quoted on Catalist, in the name of CDP to the credit of the Securities Account of the Grantee maintained with CDP or the Grantee's securities sub-account maintained with a Depository Agent or the CPF investment account maintained with a CPF agent bank.
- 12.5** Shares allotted and issued upon the exercise of an Option shall be subject to all provisions of the Catalist Rules, the Companies Act, the SFA and the Constitution of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Shares, including those rights which arise from a liquidation of the Company) and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividend, right, allotment or other distribution, the Record Date for which is prior to the date such Option is exercised.
- 12.6** Except as set out in Rule 12.2 of the Scheme and subject to Rule 10 of the Scheme, an Option does not confer on a Grantee any right to participate in any new issue of Shares.
- 12.7** The Company shall keep available sufficient unissued Shares to satisfy the full exercise of all Options for the time being remaining capable of being exercised.

13. AMENDMENTS, MODIFICATIONS AND/OR ALTERATIONS TO THE SCHEME

- 13.1** Any or all of the provisions of the Scheme may be amended, modified and/or altered at any time and from time to time by resolution of the Committee except that:
- (a) any amendment, modification or alteration which shall adversely alter the rights attached to any Options granted prior to such amendment, modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option(s) granted prior to such amendment, modification or alteration may only be made with the consent in writing of such number of Grantees who, if they exercised their Options in full, would thereby become entitled to not less than three quarters of the total number of all the Shares which would fall to be issued and allotted upon exercise in full of all outstanding Options;
 - (b) any amendment, modification or alteration which would be to the advantage of Grantees under the Scheme shall be subject to the prior approval of Shareholders at a general meeting; and
 - (c) no amendment, modification or alteration shall be made without the prior approval of the SGX-ST (if required) or any other stock exchange on which the Shares may be listed or quoted from time to time, and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a) of the Scheme, the opinion of the Committee as to whether any amendment, modification or alteration would adversely alter the rights attaching to any Option shall be final and conclusive.

- 13.2** Notwithstanding anything to the contrary contained in Rule 13.1 of the Scheme, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST if necessary) amend, modify and/or alter the Scheme in any way to the extent necessary to cause the Scheme 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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13.3 Written notice of any amendment, modification or alteration made in accordance with this Rule 13 shall be given to all Grantees under the Scheme.

14. DURATION OF THE SCHEME

14.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted by Shareholders at a general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the Scheme may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and the approval of any relevant authorities which may then be required.

14.2 The Scheme may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.

14.3 The termination, discontinuance or expiry of the Scheme shall be without prejudice to the rights accrued to Options which have been granted and accepted in accordance with Rule 8 of the Scheme, whether such Options have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING UP OF THE COMPANY

15.1 In the event of a take-over offer being made for the Company, Grantees (including Grantees holding Options which are then not exercisable in accordance with the provisions of Rule 11.1 and/or Rule 11.2 of the Scheme) holding Options as yet unexercised shall, notwithstanding Rule 11 and Rule 12 of the Scheme but subject to Rule 15.5 of the Scheme, be entitled to exercise such Options in full or in part during the period commencing on the date on which such take-over offer is made or, if such take-over offer is conditional, the date on which the take-over offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:

- (a) the expiry of six (6) months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Committee and (if so required) the SGX-ST, such expiry date is extended to a later date (being a date falling not later than the date of expiry of the Option Period relating thereto); or
- (b) the date of the expiry of the Option Period relating thereto,

whereupon any Option(s) then remaining unexercised shall immediately lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under any relevant regulatory provisions or legislation and, being entitled to do so, gives notice to the Grantees that it intends to exercise such rights on a specified date, all Options shall remain exercisable by the Grantees until such specified date or the expiry of the respective Option Periods relating thereto, whichever is earlier.

Any Option not so exercised by the said specified date shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company, provided that the rights of acquisition or obligation to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall, subject to Rule 11 of the Scheme, remain exercisable until the expiry of the Option Period. For the avoidance of doubt, the provisions of this Rule 15.1 shall not come into operation in the event that a take-over offer which is conditional does not or is not declared unconditional.

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- 15.2** If under any applicable laws, the court sanctions 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, Grantees (including Grantees holding Options which are then not exercisable in accordance with the provisions of Rule 11.1 or Rule 11.2 of the Scheme) shall notwithstanding Rule 11 of the Scheme but subject to Rule 15.5 of the Scheme, be entitled to exercise any Option then held by them during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon any unexercised Option(s) shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company, provided always that the date of exercise of any Option(s) shall be before the expiry of the relevant Option Period.
- 15.3** If an order or an effective resolution is passed for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.
- 15.4** In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this Rule 15.4) and thereupon, each Grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two (2) business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.
- 15.5** If in connection with the making of a take-over offer referred to in Rule 15.1 of the Scheme above or the compromise or arrangement referred to in Rule 15.2 of the Scheme above or the winding-up referred to in Rule 15.4 of the Scheme above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Grantees, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Grantee holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option in accordance with this Rule 15.
- 15.6** If the events stipulated in this Rule 15 should occur, to the extent that an Option is not exercised within the respective periods referred to herein in this Rule 15, it shall lapse and become null and void and of no effect and the relevant Grantee shall have no claim whatsoever against the Company.
- 16. ADMINISTRATION OF THE SCHEME**
- 16.1** The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred upon it by the Board.
- 16.2** The Committee shall have the power, from time to time, to make regulations or vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.
- 16.3** Any decision of the Committee, made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes and uncertainty as to the interpretation of the Scheme or any Rule, regulation, or procedure thereunder or as to any rights under this Scheme).

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THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

- 16.4** As a safeguard against abuse, pursuant to the Catalist Rules, a Participant who is a member of the Committee shall not be involved in its deliberation in respect of Options (if any) to be granted to him. Further, where Options are proposed to be granted to Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Committee) except for those Directors, Controlling Shareholders or their Associates, will be involved in deliberation on the same.

17. NOTICES

- 17.1** Any notice given by a Participant to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Participant in writing.
- 17.2** Any notice or documents required to be given by the Company to a Participant or any correspondences 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 sent to the Participant by hand or sent to him at his home address stated in the records of the Company or the last known address of the Participant, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

The Scheme or any Option shall not form part of any contract of employment between the Company or any of the Company's subsidiaries (as the case may be) and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Scheme or any right which he may be entitled to participate in it or any Option which he may hold and the Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

19. TAXES

All taxes (including income tax) arising from the exercise of any Option granted to any Grantee under the Scheme shall be borne by that Grantee.

20. COSTS AND EXPENSES OF THE SCHEME

- 20.1** Each Grantee shall be responsible for all fees of CDP (if any) relating to or in connection with the issue and allotment of any Shares in CDP's name pursuant to the exercise of any Option, the deposit of share certificate(s) with CDP, the Grantee's Securities Account maintained with CDP or the Grantee's securities sub-account maintained with a Depository Agent or CPF investment account maintained with a CDP agent bank and all taxes referred to in Rule 19 of the Scheme which shall be payable by the relevant Grantee.
- 20.2** Save for the taxes referred to in Rule 19 of the Scheme and such costs and expenses expressly provided in the Scheme to be payable by the Grantees, all fees, costs, and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of the Shares pursuant to the exercise of any Option shall be borne by the Company.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages (including any interest arising thereof), whatsoever and howsoever arising in respect of any matter under or in connection with the Scheme including but not limited to the Company's delay or failure

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in allotting and issuing the Shares or in applying for or procuring the listing of and quotation for the Shares allotted pursuant to the exercise of any Option on Catalist or, if applicable, any other stock exchanges on which the Shares may be listed or quoted from time to time.

22. CONDITION OF OPTION

Every Option shall be subject to the condition that no Share shall be issued pursuant to the exercise of an Option if such issue 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 other relevant country having jurisdiction in relation to the issue of Shares hereto.

23. DISCLOSURE IN ANNUAL REPORTS

The Company shall, for so long as the Scheme continues in operation, make the following disclosure in its annual report:

- (a) the names of the members of the Committee administering the Scheme;
- (b) the information required in the table below for the following Grantees (which for avoidance of doubt, shall include Grantees who have exercised all their Options in any particular Financial Year):
 - (i) Grantees who are Directors of the Company;
 - (ii) Grantees who are Controlling Shareholders and their Associates; and
 - (iii) Grantees, other than those in (i) and (ii) above, who receive 5% or more of the total number of Options available under the Scheme;

Name of Participant	Options granted during the Financial Year under review (including terms)	Aggregate Options granted since commencement of Scheme to end of Financial Year under review	Aggregate Options exercised since commencement of Scheme to end of Financial Year under review	Aggregate Options outstanding as at the end of Financial Year under review

- (c)
 - (i) the names of and number and terms of Options granted to each director or employee of the Company and its subsidiaries who receives 5% or more of the total number of Options available to all directors and employees of the Company and its subsidiaries under the Scheme, during the Financial Year under review; and
 - (ii) the aggregate number of Options granted to the directors and employees of the Company and its subsidiaries for the Financial Year under review, and since the commencement of the Scheme to the end of the Financial Year under review;
- (d) the number and proportion of Options granted at a discount during the Financial Year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and
- (e) any other information required to be so disclosed pursuant to the Catalist Rules and all other applicable laws and requirements,

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THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

24. 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.

25. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme.

26. GOVERNING LAW

The Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Grantees, by accepting the offer of the grant of Options in accordance with the Scheme, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

27. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA

For the purposes of implementing and administering the Scheme, and in order to comply with any applicable laws, listing rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Letter of Offer and/or any other notice or communication given or received pursuant to the Scheme, and/or which is otherwise collected from the Participants (or their authorised representative(s)). By participating in the Scheme, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with the Scheme, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.

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Schedule 1

NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER

Serial No. _____

Private and Confidential

[Date]

To: [Name]
[Designation]
[Address]

Dear Sir/Madam,

1. We have the pleasure of informing you that, pursuant to the Net Pacific Employee Share Option Scheme (the “**Scheme**”), you have been nominated to participate in the Scheme by the Committee (the “**Committee**”) appointed by the Board of Directors of Net Pacific Financial Holdings Limited (the “**Company**”) to administer the Scheme. Terms as defined in the Scheme shall have the same meanings when used in this letter.
2. Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you an option (the “**Option**”) to subscribe for and be allotted _____ Shares at the price of S\$_____ for each Share (the “**Exercise Price**”).
3. The Option is personal to you and shall not be sold, mortgaged, transferred, charged, assigned pledged or otherwise disposed of or encumbered by you, in whole or in part or in any way whatsoever, except with the prior written approval of the Committee.
4. The Option shall be subject to the Rules of the Scheme, a copy of which is available for inspection at the registered address of the Company.
5. If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form with a sum of S\$1.00 not later than 5.00 p.m. on _____, failing which this offer will lapse.

Yours faithfully,
For and on behalf of the Company,

Name:
Designation:

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Schedule 2

NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

ACCEPTANCE FORM

Serial No. _____

Private and Confidential

To: The Committee,
NET PACIFIC EMPLOYEE SHARE OPTION SCHEME
NET PACIFIC FINANCIAL HOLDINGS LIMITED
[Address]

Closing Date for Acceptance of Offer : _____

Number of Shares Offered : _____

Exercise Price for each Share : S\$ _____

Total Amount Payable : S\$ _____

I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the Option to subscribe for _____ Shares at S\$ _____ for each Share. I enclose cash for S\$1.00 in payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option.

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of Shares in the Company or options to subscribe for such Shares.

I agree to keep all information pertaining to the grant of the Option to me confidential. I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitutes the entire agreement between us relating to the offer.

APPENDIX B
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

Please print in block letters

Name in Full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Please delete accordingly.

Notes:

1. The Option must be accepted in full or in multiples of 1,000 Shares.
2. The Acceptance Form must be forwarded to the Committee in an envelope marked "Private and Confidential".
3. The Grantee shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of the Option.

APPENDIX B
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

Schedule 3

NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

FORM OF EXERCISE OF OPTION

Serial No. _____

Private and Confidential

To: The Committee,
NET PACIFIC EMPLOYEE SHARE OPTION SCHEME
NET PACIFIC FINANCIAL HOLDINGS LIMITED
[Address]

Total number of ordinary shares (the “**Shares**”) offered at S\$_____ for each Share (the “**Exercise Price**”) under the Scheme on _____ (Date of Grant) : _____

Number of Shares previously allotted thereunder : _____

Outstanding balance of Shares to be allotted thereunder : _____

Number of Shares now to be subscribed : _____

-
1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, I hereby exercise the Option to subscribe for _____ Shares in Net Pacific Financial Holdings Limited (the “Company”) at S\$_____ for each Share.
 2. I enclose a *cheque/cashier’s order/banker’s draft/postal order no. _____ for S\$_____ by way of subscription for the total number of the said Shares.
 3. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the Scheme and the Constitution of the Company.
 4. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.
 5. I request the Company to allot and issue the Shares in *my name/the name of The Central Depository (Pte) Limited (the “**CDP**”) for credit of my *Securities Account with CDP/sub-account with the Depository Agent/CPF investment account with the CPF agent bank specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP in respect thereof.

APPENDIX B
THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME AS AMENDED

Please print in block letters

Name in Full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

*Direct Securities Account No. : _____

OR

*Sub-Account No. : _____

Name of Depository Agent : _____

OR

*CPF Investment Account No. : _____

Name of Agent Bank : _____

Signature : _____

Date : _____

* Please delete accordingly.

Notes:

1. An Option may be exercised, in whole or in part, provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof.
2. The Exercise Notice must be forwarded to the Committee in an envelope marked "Private and Confidential".
3. The Grantee shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of the Option.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NET PACIFIC FINANCIAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 9 January 2003)
(Company Registration Number 200300326D)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “EGM”) of **Net Pacific Financial Holdings Limited** (the “Company”) will be held at 1 Robinson Road, #18-00 AIA Tower, Singapore 048542 on 27 April 2017 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company held on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the following ordinary resolution:

ORDINARY RESOLUTION: THE PROPOSED AMENDMENTS TO THE RULES OF THE NET PACIFIC EMPLOYEE SHARE OPTION SCHEME

That:

- (i) the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme as set out in Appendix A to the Circular be and are hereby adopted and approved by the Company;
- (ii) pursuant to Section 161 of the Act, the Directors and/or any of them be and are hereby authorised to offer and grant options in accordance with the rules of the Net Pacific Employee Share Option Scheme and to allot and issue such Shares as may be required to be allotted and issued pursuant to the exercise of options under the Net Pacific Employee Share Option Scheme provided always that the aggregate number of Shares over which options may be granted on any date under the Net Pacific Employee Share Option Scheme shall not exceed 15% of the total issued Shares of the Company excluding treasury shares from time to time; and
- (iii) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Gn Jong Yuh Gwendolyn
Chong Kian Lee

Joint Company Secretaries
Singapore

5 April 2017

Notes:

- 1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the Proxy Form.
- 2. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. A proxy need not be a member of the Company.
4. The Proxy Form must be deposited at registered office of the Company at **35 Selegie Road #10-25, Singapore 188307**, not less than **72 hours** before the time appointed for holding the EGM.
5. Where the Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. Terms not specifically defined herein shall have the meaning ascribed to them in the Company's circular to shareholders dated 5 April 2017.

Personal data privacy:

By submitting a Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any EGM laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

NET PACIFIC FINANCIAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200300326D)

PROXY FORM

IMPORTANT

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50, of Singapore (the "Act"), Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.

I/We* _____ (Name) _____ (NRIC/Passport Number*)
of _____ (Address)

being a member/members* of **NET PACIFIC FINANCIAL HOLDINGS LIMITED** (the "**Company**"), hereby appoint:

Name	NRIC / Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or*

Name	NRIC / Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her*, the Chairman of the Extraordinary General Meeting ("**EGM**") as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the EGM of the Company to be held at 1 Robinson Road, #18-00 AIA Tower, Singapore 048542 on 27 April 2017 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company held on the same day and at the same place) and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the Ordinary Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies* may vote or abstain from voting at his/her* discretion. The Ordinary Resolution will be put to vote at the EGM by way of poll.

Ordinary Resolution	Number of Votes For [#]	Number of Votes Against [#]
1. To approve the proposed amendments to the rules of the Net Pacific Employee Share Option Scheme		

* Delete as appropriate.

If you wish to exercise all your votes "For" or "Against", please indicate so with a [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2017.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s) or
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

Notes:

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289, you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the Shares held by you.
2. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Cap. 50, of Singapore (the "**Act**"), a member is entitled to appoint not more than two proxies to attend, speak and vote at the Extraordinary General Meeting of the Company ("**EGM**"). Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the Proxy Form.
3. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.
4. A proxy need not be a member of the Company.
5. The Proxy Form must be deposited at registered office of the Company at **35 Selegie Road #10-25, Singapore 188307**, not less than **72 hours** before the time appointed for holding the EGM.
6. Where the Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
7. Where the Proxy Form is executed under the hand of an attorney duly authorised, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Act.
9. Terms not specifically defined herein shall have the meaning ascribed to them in the Company's circular to shareholders dated 5 April 2017.

General:

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time appointed for holding the EGM.

Personal data privacy:

By submitting a Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any EGM laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.