CIRCULAR DATED 30 JUNE 2017

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

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

If you have sold or transferred all your ordinary shares in the capital of Valuetronics Holdings Limited (the "**Company**") held through the Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Special General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Special General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of Special 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.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy of any of the statements made, opinions expressed or reports contained in this Circular.



VALUETRONICS HOLDINGS LIMITED

(Incorporated in Bermuda on 18 August 2006)
(Company Registration Number: 38813)

CIRCULAR TO SHAREHOLDERS

in relation to

(1) THE PROPOSED ADOPTION OF (i) THE VALUETRONICS EMPLOYEE SHARE OPTION SCHEME 2017 AND (ii) THE VALUETRONICS PERFORMANCE SHARE PLAN 2017; AND

(2) THE PROPOSED AMENDMENT OF THE BYE-LAWS OF THE COMPANY

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	22 July 2017 at 10.30 a.m.
Date and time of Special General Meeting	:	24 July 2017 at 10.30 a.m. (or immediately after the conclusion or adjournment of the Annual General Meeting to be held at 9.30 a.m. on the same day and at the same place)
Place of Special General Meeting	:	Level 3, Venus Room I & II, Furama RiverFront, Singapore, 405 Havelock Road, Singapore 169633

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DEFINITIONS

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

"**Act**"	:	The Companies Act, Cap. 50, of Singapore, as amended from time to time
"**Auditors**"	:	The auditors of the Company for the time being
"**Award**"	:	A contingent award of Shares granted under the Valuetronics PSP 2017
"**Bermuda Companies Act**"	:	The Companies Act 1981 of Bermuda, as amended from time to time
"**Board**"	:	The board of directors of the Company as at the date of this Circular
"**Bye-Laws**"	:	The Bye-Laws of the Company, as amended, varied or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 30 June 2017
"**Committee**"	:	The Remuneration Committee, comprising Directors of the Company from time to time
"**Company**"	:	Valuetronics Holdings Limited
"**Controlling Shareholder**"	:	A Shareholder who: (a) holds directly or indirectly 15% or more of the total number of Shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is a controlling shareholder; or (b) in fact exercises control over the Company
"**Date of Grant**"	:	In relation to an Option, the date on which that Option is granted to an ESOS Participant pursuant to rule 6 of the rules of the Valuetronics ESOS 2017 In relation to an Award, the date on which the Award is granted pursuant to rule 6 of the rules of the Valuetronics PSP 2017
"**Directors**"	:	The directors of the Company as at the date of this Circular
"**EPS**"	:	Earnings per Share

"**ESOS Participant**"	:	Any eligible person who is selected by the Committee to participate in the Valuetronics ESOS 2017, in accordance with the rules of the Valuetronics ESOS 2017
"**Executive Director**"	:	A director of the Company and/or any of its Subsidiaries, as the case may be, who performs an executive function
"**Exercise Price**"	:	The price at which an ESOS Participant shall subscribe for each Share upon the exercise of an Option which shall be the price as determined and adjusted in accordance with the rules of the Valuetronics ESOS 2017, provided always that the price shall not be less than the nominal value of a Share
"**Financial Statement**"	:	The financial statement and related announcement of the Company
"**FY**"	:	Financial year ended or ending 31 March, as the case may be
"**Group**"	:	The Company and its Subsidiaries
"**Group Employee**"	:	A full-time confirmed employee of the Company, and/or any of its Subsidiaries, as the case may be, including any Executive Director and excluding any Controlling Shareholder and/or his Associate
"**Independent Director**"	:	An independent director of the Company and/or any of its Subsidiaries, as the case may be
"**Latest Practicable Date**"	:	27 June 2017, being the latest practicable date prior to the printing of this Circular
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended from time to time
"**Listing Rules**"	:	The listing rules of the SGX-ST as set out in the Listing Manual
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Market Price**"	:	The price that is equal to the average of the last dealt prices for the Shares on the SGX-ST over the five (5) consecutive Market Days immediately preceding the relevant Offer Date of that Option, as determined by the Committee by reference to the daily official list or any other publication published by the SGX-ST, rounded to the nearest one-tenth of one (1) cent in the event of fractional prices
"**Memorandum of Association**"	:	The Memorandum of Association of the Company, as amended, varied or supplemented from time to time

"**New Shares**"	:	The new Shares which may be allotted and issued from time to time pursuant to the exercise of Options under the Valuetronics ESOS 2017 and the release of Awards under the Valuetronics PSP 2017
"**Non-Executive Director**"	:	A director of the Company and/or any of its Subsidiaries, as the case may be, who performs a non-executive function
"**NTA**"	:	Net tangible assets
"**Offer Date**"	:	The date on which an offer to grant an Option is made pursuant to the Valuetronics ESOS 2017
"**Option**"	:	The right to subscribe for Shares granted or to be granted pursuant to the Valuetronics ESOS 2017
"**Ordinary Resolution**"	:	A resolution which has been passed by a simple majority of the votes cast by such Shareholder, who, being entitled so to do, vote in person or where a corporate representative is allowed, by duly authorised corporate representative or, where proxies are allowed, by proxy, at a general meeting held in accordance with the Bye-Laws
"**PSP Participant**"	:	Any eligible person who is selected by the Committee to participate in the Valuetronics PSP 2017, in accordance with the rules of the Valuetronics PSP 2017
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
"**SFA**"	:	The Securities and Futures Act, Cap. 289, of Singapore, as amended from time to time
"**SGM**"	:	The special general meeting of the Company, notice of which is set out on pages 83 to 85 of this Circular
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares in the Register of Members maintained by the Company, except that where the registered holder is CDP, the term "**Shareholders**" shall, where the context admits, mean the Depositors in the Depository Register maintained by CDP and to whose Securities Accounts are credited with Shares
"**Shares**"	:	Issued and paid up ordinary shares of par value HK$0.10 each in the capital of the Company

"**Special Resolution**"	:	A resolution which has been passed by no less than 75% of the votes cast by such Shareholders who, being entitled so to do, vote in person or where a corporate representative is allowed, by duly authorised corporate representative or, where proxies are allowed by proxy, at a general meeting held in accordance with the Bye-Laws
"**Treasury Shares**"	:	Issued Shares of the Company which were purchased and held as treasury shares by the Company in accordance with the applicable provisions of the Act and the Bermuda Companies Act
"**Valuetronics ESOS 2007**"	:	The employee share option scheme, as approved and adopted by the Company on 6 February 2007
"**Valuetronics ESOS 2017**"	:	The proposed Valuetronics Employee Share Option Scheme 2017
"**Valuetronics PSP 2008**"	:	The performance share plan, as approved and adopted by the Company on 28 July 2008
"**Valuetronics PSP 2017**"	:	The proposed Valuetronics Performance Share Plan 2017
"**HK$**"	:	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the PRC
"**%**"	:	Per centum or percentage

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**" and "**Subsidiary**" shall have the same meanings ascribed to them respectively in the Listing Manual and the Act.

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 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 Bermuda Companies Act, the Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning ascribed to it under the Bermuda Companies Act, the Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context otherwise requires.

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

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

VALUETRONICS HOLDINGS LIMITED

(Incorporated in Bermuda on 18 August 2006)
(Company Registration Number: 38813)

Board of Directors:

Tse Chong Hing	Chairman and Managing Director
Chow Kok Kit	Executive Director
Tan Siok Chin	Non-Executive Director
Ong Tiew Siam	Lead Independent Director
Loo Cheng Guan	Independent Director

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

30 June 2017

To: The Shareholders of Valuetronics Holdings Limited

Dear Sir/Madam

1. INTRODUCTION

1.1 Special General Meeting

The Directors propose to convene a SGM to be held on 24 July 2017 to seek Shareholders' approval for the following matters:

(1) the proposed adoption of (i) the Valuetronics Employee Share Option Scheme 2017 and (ii) the Valuetronics Performance Share Plan 2017; and

(2) the proposed amendment of the Bye-Laws of the Company.

1.2 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek the approval of Shareholders at the SGM for the matters as set out in the notice of SGM on pages 83 to 85 of this Circular.

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

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

1.3 Listing of New Shares

The SGX-ST has on 27 June 2017 granted in-principle approval for the listing and quotation of the New Shares under the Valuetronics ESOS 2017 and the New Shares under the Valuetronics PSP 2017 subject to the Company's compliance with: (i) the SGX-ST's listing requirements and guidelines and (ii) independent shareholders' approval being obtained for the Valuetronics ESOS 2017 and the Valuetronics PSP 2017. The

in-principle approval of the SGX-ST granted for the listing of the New Shares, and quotation of such New Shares on SGX-ST is in no way reflective of the merits of the Company, and/or the Valuetronics ESOS 2017 and/or the Valuetronics PSP 2017.

2. THE PROPOSED VALUETRONICS EMPLOYEE SHARE OPTION SCHEME 2017

The Board is proposing to implement a new employee share option scheme to be named the "The Valuetronics Employee Share Option Scheme 2017".

2.1 Background

The Valuetronics ESOS 2007 was adopted by the Company to motivate directors and employees to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Company. The duration of the Valuetronics ESOS 2007 was ten (10) years commencing on 6 February 2007 and accordingly, the Valuetronics ESOS 2007 expired on 5 February 2017. The expiry of the Valuetronics ESOS 2007 does not affect any options which have been granted thereunder, regardless of whether such options have been exercised (whether fully or partially).

Details of the options granted under the Valuetronics ESOS 2007 to the directors and employees of the Group, since the commencement of the Valuetronics ESOS 2007 are as follows:

Date of Grant	Number of Participants[1]	Aggregate number of Shares pursuant to which options were granted under the Valuetronics ESOS 2007[2]	Aggregate number of Shares allotted and issued upon the exercise of the options granted under the Valuetronics ESOS 2007
8 Aug 2007	4	1,000,000	800,000
8 July 2008	10	1,900,000	1,700,000
27 Aug 2008	3	2,400,000	2,400,000
12 Aug 2009	6	2,750,000	2,750,000
18 Aug 2010	6	3,000,000	3,000,000
4 Oct 2010	11	1,150,000	1,150,000
16 Aug 2011	18	4,900,000	4,700,000
19 July 2012	20	5,400,000	4,800,000
15 Aug 2013	27	5,500,000	4,950,000
19 Aug 2014	27	6,000,000	2,975,000
24 Aug 2015	31	6,500,000	–
18 Aug 2016	29	5,800,000	–
Total	192	46,300,000	29,225,000

Notes:

(1) Such participants being directors and employees of the Group as at the date of the options granted pursuant to the Valuetronics ESOS 2007.

(2) Including options granted pursuant to the Valuetronics ESOS 2007 which remain outstanding and unexercised as at the Latest Practicable Date.

Since the commencement of the Valuetronics ESOS 2007, an aggregate of 29,225,000 Shares, representing approximately 7.0% of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, were allotted and issued pursuant to the exercise of the options granted under the Valuetronics ESOS 2007. As at the Latest Practicable Date, 2,375,000 share options have lapsed.

As at the Latest Practicable Date, there were outstanding and unexercised options granted to participants under the Valuetronics ESOS 2007 to subscribe for up to 16,170,000 Shares, representing approximately 3.8% of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date.

Details of the options granted under the Valuetronics ESOS 2007 which are outstanding and unexercised as at the Latest Practicable Date are as follows:

Date of Grant	Exercise Period	Exercise Price (S$)[1]	Number of Shares comprised in unexercised options granted under the Valuetronics ESOS 2007[1]	Number of participants
19 Aug 2014	20 Aug 2017 – 19 Aug 2024	0.369	3,052,500	17
24 Aug 2015	25 Aug 2017 – 24 Aug 2025	0.268	3,162,500	29
24 Aug 2015	25 Aug 2018 – 24 Aug 2025	0.268	3,767,500	29
18 Aug 2016	19 Aug 2017 – 18 Aug 2026	0.474	2,392,500	17
18 Aug 2016	19 Aug 2018 – 18 Aug 2026	0.379	1,760,000	17
18 Aug 2016	19 Aug 2019 – 18 Aug 2026	0.379	2,035,000	27
Total			16,170,000	136

Note:

(1) Adjusted for the bonus issue of one new Share for every ten existing Shares as approved in the Special General Meeting held on 22 May 2017. Details of the said bonus issue are set out therein.

As at the Latest Practicable Date, an aggregate of 6,025,000 Shares, representing approximately 1.4% of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, were allotted and issued to the directors pursuant to their exercise of the options granted under the Valuetronics ESOS 2007. There is no outstanding option held by directors under the Valuetronics ESOS 2007 as at the Latest Practicable Date.

2.2 Summary of the Rules of the Valuetronics ESOS 2017

A summary of the rules of the Valuetronics ESOS 2017 is set out as follows:

(i) Eligibility

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Valuetronics ESOS 2017:

(a) Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates); and

(b) Non-Executive Directors (including Independent Directors),

provided that on or prior to the Date of Grant, such person has attained the age of twenty-one (21) years and is not an undischarged bankrupt and has not entered into a composition with his creditors.

There shall be no restriction on the eligibility of any ESOS Participants to participate in any other share option or share incentive schemes implemented or to be implemented by the Company or any other companies within the Group, provided that the ESOS Participant is eligible to participate in such other share option or share incentive scheme in accordance with its respective rules and provisions.

Subject to the Act, the Bermuda Companies Act and any requirements (in particular, Rule 851 of the Listing Rules provides that the terms of the Valuetronics ESOS 2017 cannot be altered to the advantage of the ESOS Participants without prior approval of Shareholders in general meeting) of the SGX-ST, the terms of eligibility for participation in the Valuetronics ESOS 2017 may be amended from time to time at the absolute discretion of the Committee, which would be exercised judiciously.

(ii) Options

An Option granted pursuant to the Valuetronics ESOS 2017 represents a right to acquire Shares, which are the subject of the Option, at the applicable Exercise Price. An Option may be granted subject to such conditions as may be determined by the Committee, in its absolute discretion, on the Offer Date of that Option.

An Option shall be personal to the ESOS Participant to whom it is granted and shall not be transferred (other than to an ESOS Participant's personal representative on the death of that ESOS Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior approval of the Committee.

(iii) Size and Duration

In compliance with the Listing Manual, the aggregate number of Shares over which Options may be granted under the Valuetronics ESOS 2017, when added to the number of New Shares issued and/or in respect of:

(a) all Options granted thereunder; and

(b) all options or awards granted under any other schemes or share plans which the Company may implement from time to time (if any),

shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding Treasury Shares) on the day preceding the relevant Date of Grant.

The Valuetronics ESOS 2017 shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date the Valuetronics ESOS 2017 is adopted by Shareholders in general meeting, provided always that the Valuetronics ESOS 2017 may continue beyond the aforesaid stipulated period with the approval of Shareholders by Ordinary Resolution in general meeting and of any relevant authorities which may then be required. The Valuetronics ESOS 2017 may be terminated at any time at the discretion of the Committee or by resolution of the Shareholders in general meeting, subject to all relevant approvals which may be required, and if the Valuetronics ESOS 2017 is so terminated, no further Options shall be offered by the Committee thereunder. The termination of the Valuetronics ESOS 2017 shall not affect Options which have been granted prior to such termination, whether such Options have been exercised (whether fully or partially) or not.

(iv) Exercise Price of Options and Grant of Options at a Discounted Price

Subject to adjustments under the rules of the Valuetronics ESOS 2017, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion, on the Date of Grant, at:

(a) a price equal to the Market Price; or

(b) a price which is set at a discount to the Market Price, provided that the maximum discount which may be given in respect of any Option shall not exceed twenty percent (20%) of the Market Price and is approved by Shareholders in general meeting in a separate resolution in respect of such Option,

provided always that, in no event shall the Exercise Price per Share be less than the nominal value of a Share. Where the Exercise Price as determined above is less than the nominal value of the Share, the Exercise Price shall be the nominal value.

The ability to offer Options at a discount to the Market Price will allow flexibility in structuring the Options. Being able to offer Options at a discount is important in situations where it is more meaningful for the Company to acknowledge an ESOS Participant's achievement through offering Options at a discount to the Market Price rather than paying a cash bonus, as these Options operate as a form of cashless reward from the Company with a greater potential for capital appreciation than Options granted at the Market Price, or in situations where more compelling motivation is required in order to attract new talent into the Group and/or retain talented individuals.

Further, because Options granted with a discount under the Valuetronics ESOS 2017 are subject to a longer vesting period of two (2) years, as compared to a vesting period of one (1) year for those granted at the Market Price, holders of such Options are encouraged to be more long-sighted, thereby promoting staff and executive retention and reinforcing their commitment to the Group. The Company also believes that the maximum discount of twenty percent (20%) of the Market Price is sufficient to allow for flexibility in the Valuetronics ESOS 2017, and would minimize the potential dilutive effect to the Shareholders arising from the Valuetronics ESOS 2017.

Pursuant to Rule 845(5) of the Listing Manual, the proposed grant of Options at a maximum discount of twenty percent (20%) to the Market Price has been set out in a separate resolution for Shareholders' approval.

(v) Option Period

Options granted shall be exercisable at any time by an ESOS Participant during an option period to be determined by the Committee, provided always that:

(a) in the case of an Option granted to a Group Employee (including an Executive Director but excluding a Controlling Shareholder and/or his Associate) at an Exercise Price per Share which is equal to or higher than the Market Price, the commencement date of such option period shall take place after the first (1st) anniversary of the Date of Grant of that Option, and shall expire no later than the tenth (10th) anniversary of the Date of Grant of that Option;

(b) in the case of an Option granted to a Group Employee (including an Executive Director but excluding a Controlling Shareholder and/or his Associate) at an Exercise Price per Share which is at a discount to the Market Price, the commencement date of such option period shall take place after the second (2nd) anniversary of the Date of Grant of that Option, and shall expire no later than the tenth (10th) anniversary of the Date of Grant of that Option;

(c) in the case of an Option granted to a Non-Executive Director (including an Independent Director) at an Exercise Price per Share which is equal to or higher than the Market Price, the commencement date of such option period shall take place after the first (1st) anniversary of the Date of Grant of that Option, and shall expire no later than the fifth (5th) anniversary of the Date of Grant of that Option; and

(d) in the case of an Option granted to a Non-Executive Director (including an Independent Director) at an Exercise Price per Share which is at a discount to the Market Price, the commencement date of such option period shall take place after the second (2nd) anniversary of the Date of Grant of that Option, and shall expire no later than the fifth (5th) anniversary of the Date of Grant of that Option.

Any Option which is not exercised before the end of the relevant option period shall immediately lapse and become null and void and an ESOS Participant shall have no claim against the Company.

(vi) Details of a Grant of Option

Subject to the prevailing legislation and the Listing Rules, the Committee shall decide, *inter alia*, in its absolute discretion:

(a) the Date of Grant;

(b) the number of Shares comprised in the Option granted;

(c) the discount, if any, to the Market Price in determining the Exercise Price of each Share under the Option to be granted, provided that the maximum discount which may be given in respect of any Share under the Option shall not exceed twenty percent (20%) of the Market Price and is approved by Shareholders in general meeting in a separate resolution in respect of that Option; and

(d) the period during which an Option may be exercised.

The selection of an ESOS Participant and the number of Options to be granted to an ESOS Participant in accordance with the Valuetronics ESOS 2017 shall be determined at the sole and absolute discretion of the Committee. An ESOS Participant who is a member of the Committee shall abstain from deliberation in respect of an Option to be granted to that ESOS Participant.

(vii) Operation

Subject to the prevailing legislation and the Listing Rules, the Company shall, as soon as practicable after the exercise of an Option do any one or more of the following as it deems fit in its sole and absolute discretion:

(a) allot and issue New Shares to the ESOS Participant, and apply to the SGX-ST, for permission to deal in and for quotation of such Shares; and/or

(b) deliver existing Shares to the ESOS Participant, whether such existing Shares are acquired pursuant to a share purchase mandate or (to the extent permitted by law) held as Treasury Shares; and/or

(c) subject to the prior approval of the Committee and at the Committee's absolute discretion, pay the Equivalent Value in Cash (after deduction of any applicable taxes) to the ESOS Participant, in lieu of issuing or delivering all or some of the Shares to be issued or delivered to the ESOS Participant.

"**Equivalent Value in Cash**" to be paid to an ESOS Participant in lieu of the New Shares to be issued or delivered upon exercise of an Option, shall be calculated in accordance with the following formula:

A = B x C

Where:

"**A**" is the Equivalent Value in Cash to be paid to the ESOS Participant in lieu of all or some of the New Shares to be issued or delivered upon the exercise of an Option;

"**B**" is equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the first five (5) Market Days on which there were transactions done for the New Shares on the SGX-ST immediately preceding the date on which an Option is deemed to be exercised in accordance with the rules of the Valuetronics ESOS 2017; and

"**C**" is such number of New Shares (as determined by the Company in its sole and absolute discretion) to be issued or delivered to the ESOS Participant upon the exercise of an Option in accordance with the rules of the Valuetronics ESOS 2017.

In determining whether to issue New Shares or to purchase existing Shares or to pay the Equivalent Value in Cash to ESOS Participants to settle the exercise of the Option, the Committee shall have the right to take into account factors such as (but not limited to) amount of cash available, the number of shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing New Shares or purchasing existing Shares or paying the Equivalent Value in Cash.

(viii) Limits

In deciding on the Options to be granted to ESOS Participants, the Committee will also consider the compensation and/or benefits to be given under any concurrent share plan (such as the Valuetronics PSP 2017) implemented by the Company.

Under the Valuetronics ESOS 2017, the aggregate nominal amount of Shares over which the Committee may grant Options on any date, when added to the nominal amount of Shares issued and issuable in respect of all Options shall not exceed fifteen percent (15%) of the issued share capital (excluding Treasury Shares) of the Company. The Board proposed that the aggregate number of New Shares issued and to be issued under the Valuetronics ESOS 2017 and the Valuetronics PSP 2017 will be subject to the existing maximum limit of fifteen percent (15%) of the Company's issued Shares (excluding Treasury Shares) from time to time.

The Directors believe that the above limits on the total issuance of Options are for the protection of Shareholders to prevent excessive dilution arising from the issuance of Options and Awards. Such limits will be applied after they have been approved by Shareholders.

(ix) Adjustments and Alterations

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

(a) the Exercise Price for the Shares, class and/or number of Shares comprised in the Options to the extent unexercised and the rights attached thereto; and/or

(b) the class and/or number of Shares in respect of which additional Options may be granted under the Valuetronics ESOS 2017,

shall be adjusted in such manner as the Committee may determine to be appropriate, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

The following (whether singly or in combination) shall not be regarded as events requiring adjustment unless the Committee considers an adjustment to be appropriate:

(a) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;

(b) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to any share-based incentive schemes implemented by the Company);

(c) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period which a share purchase mandate granted by Shareholders (or any renewal thereof) is in force; or

(d) any increase in the number of issued Shares as a consequence of exercise of options granted under the Valuetronics ESOS 2007.

Notwithstanding the foregoing, no such adjustment shall be made if as a result of such adjustment, an ESOS Participant receives a benefit that a Shareholder does not receive.

The rules of the Valuetronics ESOS 2017 may be modified and/or altered from time to time by a resolution of the Committee, subject to compliance with the Listing Manual and such other regulatory authorities as may be required.

No modification or amendment shall be made to the rules of the Valuetronics ESOS 2017 to the advantage of the ESOS Participants except with the prior approval of Shareholders in general meeting.

(x) Disclosures in Annual Report

The Company shall disclose the following (where applicable) in its annual report for as long as the Valuetronics ESOS 2017 continues in operation and as from time to time required by the Listing Manual:

(a) the names of the members of the Committee administering the Valuetronics ESOS 2017;

(b) the information required below for the following ESOS Participants:

(i) ESOS Participants who are Directors; and

(ii) ESOS Participants, other than those in sub-paragraph (b)(i) above, who have received in aggregate, five per cent (5%) or more of the total number of Options available under the Valuetronics ESOS 2017;

(aa) Name of ESOS Participant;

(bb) Options granted during financial year under review (including terms);

(cc) Aggregate Options granted since commencement of the Valuetronics ESOS 2017 to end of financial year under review;

(dd) Aggregate Options exercised since commencement of the Valuetronics ESOS 2017 to end of financial year under review; and

(ee) Aggregate Options outstanding as at end of financial year under review.

(c) the number and proportion of Options granted at a discount during the financial year under review in respect of every ten per cent (10%) discount range, up to the maximum quantum of discount granted; and

(d) any other information required to be so disclosed pursuant to the Listing Manual or the Act.

If any of the information above is not applicable, an appropriate negative statement shall be included therein.

2.3 Rationale

The Company places strong emphasis on the recruitment and retention of quality employees with talent in all areas of the Group's operations, and in particular, the drive, leadership, skills, expertise and experience of such persons, as the Company considers these to be qualities that will assist the Group to realise its strategic and long-term business goals.

The Company believes that the implementation of the Valuetronics ESOS 2017 will enable the Company to structure a competitive remuneration package, which is designated as an additional incentive tool to reward and retain Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates) and Non-Executive Directors (including Independent Directors), as well as to achieve the following objectives:

(i) to motivate each ESOS Participant to achieve and maintain a high level of performance and contribution;

(ii) to make employee remuneration sufficiently competitive to recruit and retain ESOS Participants whose contributions are important to the long-term growth and profitability of the Group;

(iii) to foster an ownership culture within the Company which aligns the interests of employees with the interests of the Shareholders; and

(iv) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders.

The purpose of adopting an employee share option scheme is to give the Company greater flexibility to align the interests of Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates) and Non-Executive Directors (including Independent Directors), especially key executives, with those of the Shareholders. It is also intended that the Valuetronics ESOS 2017 will allow the Company to continue its efforts in rewarding, retaining and motivating Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates) and Non-Executive Directors (including Independent Directors) whose contributions are essential to the long-term development of the Group.

While the Valuetronics ESOS 2017 caters principally to Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates), it is recognised that there are other persons who make significant contributions to the Group

through their close working relationships with the Group, even though they are not employed within the Group. Such persons include the Non-Executive Directors (including Independent Directors).

The Non-Executive Directors (including Independent Directors) come from different professions and various backgrounds, bringing to the Group much experience in corporate governance and business management, as well as invaluable guidance in relation to strategic issues and development, thus providing the Group with a multi-disciplinary approach in evaluating and considering business issues and opportunities. While not specifically involved in matters relating to the day-to-day running of the Group, the Non-Executive Directors (including Independent Directors) are frequently consulted on various matters in relation to the business of the Company. They are thus highly regarded by the Company for their contributions to the Company and/or the Group.

The Directors are of the view that including the Non-Executive Directors (including Independent Directors) in the Valuetronics ESOS 2017 will give due recognition for their services and contributions to the growth and development of the Group, and further motivate them in their contribution towards the success of the Group.

However, it should be noted that it may not be appropriate to measure the services and contributions of the Non-Executive Directors (including Independent Directors) in the same way as the full-time employees of the Group, and thus, for the purpose of assessing the contributions of the Non-Executive Directors (including Independent Directors), the Committee shall employ an assessment framework comprising mainly non-financial performance measurement criteria such as the extent of involvement and responsibilities shouldered by the relevant Non-Executive Director (including an Independent Director), taking into consideration, *inter alia*, his performance and contributions to the success and development of the Group, his committee memberships in the Group, as well as his contribution, which include contribution of his experience in the areas of overall business strategies, risk management and investment decisions. The Committee may also decide that no Option shall be granted in any financial year or no Option may be granted at all.

The Options which may be granted to the Independent Directors under the Valuetronics ESOS 2017 would not be significant, and as such, would not compromise the independence of such Independent Directors.

As a safeguard against abuse, no member of the Committee shall be involved in the Committee's deliberations in respect of Options granted or to be granted to him.

2.4 Financial Effects of the Valuetronics ESOS 2017

No cash outlays would be expended by the Company at the time Options are issued by it (as compared with cash bonuses). However, based on the International Financial Reporting Standard ("**IFRS**"), the Company would recognise an expense over the vesting period in the financial statements based on the fair value of the Option at the Date of Grant.

IFRS 2 is applicable for the financial statements of the Company. In respect of the Valuetronics ESOS 2017, ESOS Participants will receive Shares and not their equivalent cash value or combinations thereof in settlement of the Options. When the ESOS

Participants receive Shares under the Valuetronics ESOS 2017, the Options would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Options would be recognised as a charge to the income statement over the vesting period and a corresponding credit to the reserve account ("**equity settlement**"). The total amount of the charge over the vesting period is generally measured based on the fair value of each Option granted. This is normally estimated by applying an option pricing model at the Date of Grant.

Before the end of the vesting period, at each accounting year end, the estimate of the number of Options that are expected to vest by the relevant vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the relevant vesting date, no adjustment to the charge to the income statement is made. This accounting treatment has been referred to as the "**modified grant date method**", because the number of Shares included in the determination of the expense relating to employee services is adjusted to reflect the actual number of Shares that eventually vest but no adjustment is made to changes in the fair value of the Shares since the Date of Grant.

The amount charged to the income statement would be the same whether the Company settles the Options using New Shares or existing Shares. If the Options are not subsequently exercised by the ESOS Participants, the Company is not allowed to reverse the expense already charged to the income statement.

(a) Share Capital

The Valuetronics ESOS 2017 will result in an increase in the issued share capital of the Company to the extent of the Shares that will be allotted and issued pursuant to the exercise of the Options granted under the Valuetronics ESOS 2017. This will in turn depend on, *inter alia*, the number of Shares comprised in the Options granted, the number of Options that are accepted and exercised and the Exercise Price of the Shares comprised in the Options upon the exercise of the Options granted under the Valuetronics ESOS 2017.

(b) NTA

The issue of Shares upon the exercise of the Options granted under the Valuetronics ESOS 2017 will increase the Company's consolidated NTA by the aggregate Exercise Price of the Shares issued. On a per Share basis, the effect on the NTA of the Company will be accretive if the Exercise Price is above the Company's consolidated NTA per Share, but dilutive otherwise.

(c) EPS

The Valuetronics ESOS 2017 will have a dilutive impact on the Company's consolidated EPS following the increase in the Company's number of issued Shares to the extent that Shares are allotted and issued upon the exercise of the Options.

(d) Dilutive Impact

While the actual impact on the NTA per Share and EPS will be dependent on many factors such as actual vesting period and the fair value of each Option granted at the Date of Grant, the Valuetronics ESOS 2017 provides that the aggregate number of New Shares to be issued under (i) the Valuetronics ESOS 2017, (ii) the Valuetronics PSP 2017 and (iii) any other share-based incentive schemes of the Company will be subject to the maximum limit of fifteen percent (15%) of the Company's total number of issued Shares (excluding Treasury Shares) for the entire ten (10) year duration of the Valuetronics ESOS 2017. It is therefore expected that the dilutive impact of the Valuetronics ESOS 2017 on the NTA per Share and the EPS should not be significant.

3. THE PROPOSED VALUETRONICS PERFORMANCE SHARE PLAN 2017

3.1 Background

Unlike the Options to be granted under the Valuetronics ESOS 2017, the Valuetronics PSP 2017 contemplates the award of fully paid Shares to PSP Participants after certain pre-determined benchmarks have been met. The Company believes that the Valuetronics PSP 2017 will be more effective than pure cash bonuses in motivating employees to work towards pre-determined goals.

The Board is proposing to implement the Valuetronics PSP 2017 to complement the proposed Valuetronics ESOS 2017. With both schemes in place, the Company will have a more comprehensive and flexible set of remuneration tools to better motivate, retain and recruit talent. The Valuetronics PSP 2017 will provide an opportunity for the key senior management and employees to participate in the equity of the Company.

Details of the awards granted under the Valuetronics PSP 2008 to the directors and employees of the Group, since the commencement of the Valuetronics PSP 2008, are as follows:

Date of Grant	Number of Participants[1]	Aggregate number of Shares comprised in awards granted under the Valuetronics PSP 2008[2]	Aggregate number of Shares allotted and issued upon the vesting of the awards granted under the Valuetronics PSP 2008
12 Aug 2009	9	2,680,000	1,706,000
18 Aug 2010	3	2,400,000	2,184,000
4 Oct 2010	5	180,000	103,500
16 Aug 2011	3	1,625,000	1,088,750
19 July 2012	1	700,000	140,000
15 Aug 2013	1	700,000	588,000
Total	22	8,285,000	5,810,250

Notes:

(1) Such participants being directors and employees of the Group as at the date of the awards granted pursuant to the Valuetronics PSP 2008.

(2) Including awards granted pursuant to the Valuetronics PSP 2008 which had lapsed or remain outstanding as at the Latest Practicable Date.

Since the commencement of the Valuetronics PSP 2008, an aggregate of 5,810,250 Shares, representing approximately 1.4% of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, were allotted and issued pursuant to the vesting of the awards granted under the Valuetronics PSP 2008.

As at the Latest Practicable Date, there are no outstanding awards under the Valuetronics PSP 2008.

As at the Latest Practicable Date, an aggregate of 3,315,750 Shares, representing approximately 0.8% of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, were allotted and issued to the directors pursuant to the vesting of awards under the Valuetronics PSP 2008. There are no outstanding awards held by directors under the Valuetronics PSP 2008.

3.2 Summary of the Rules of the Valuetronics PSP 2017

(i) Eligibility

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Valuetronics PSP 2017:

(a) Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates); and

(b) Non-Executive Directors (including Independent Directors),

provided that on or prior to the Date of Grant of the Award, such person has attained the age of twenty-one (21) years and is not an undischarged bankrupt and has not entered into a composition with his creditors.

There shall be no restriction on the eligibility of any PSP Participants to participate in any other share option or share incentive schemes implemented or to be implemented by the Company or any other companies within the Group, provided that the PSP Participant is eligible to participate in such other share option or share incentive scheme in accordance with its respective rules and provisions.

Subject to the Act, Bermuda Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Valuetronics PSP 2017 may be amended from time to time at the absolute discretion of the Committee, which would be exercised judiciously.

(ii) Size and Duration

The total number of New Shares which may be issued pursuant to Awards granted under the Valuetronics PSP 2017, when added to the number of New Shares issued and issuable in respect of all Awards granted thereunder, all Awards granted under the Valuetronics PSP 2017 and Shares or Awards granted under any other share option or share incentive

schemes of the Company then in force shall not exceed fifteen percent (15%) of the issued share capital (excluding Treasury Shares) of the Company on the day preceding the relevant date of award.

The number of existing Shares purchased from the market which may be delivered pursuant to Awards granted under the Valuetronics PSP 2017 will not be subject to any limit, as such methods will not involve the issuance of any New Shares.

Shares that are the subject of Awards, which have lapsed for any reason whatsoever, may be the subject of further Awards granted by the Committee under the Valuetronics PSP 2017. The Valuetronics PSP 2017 shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date on which the Valuetronics PSP 2017 is adopted by the Company at a general meeting, provided always that the Valuetronics PSP 2017 may continue beyond the above stipulated period with the approval of Shareholders at a general meeting and of any relevant authorities which may then be required.

The Valuetronics PSP 2017 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 Valuetronics PSP 2017 is so terminated, no further Awards shall be granted by the Company. Notwithstanding the expiry or termination of the Valuetronics PSP 2017, any Awards granted to PSP Participants prior to such expiry of termination will continue to remain valid.

(iii) Awards

Awards represent the right of a PSP Participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, upon the PSP Participant achieving prescribed performance targets or otherwise having performed well and/or made a significant contribution to the Group.

Examples of performance targets to be set include targets based on criteria such as the Group's profitability, return of Shareholders' funds, penetration into new markets, management skills and succession planning.

Awards granted under the Valuetronics PSP 2017 will be performance-based, and such Awards will entitle PSP Participants to be allotted fully paid Shares upon satisfactory achievement of pre-determined performance targets. The Awards given to a particular PSP Participant under the Valuetronics PSP 2017 will be determined at the discretion of the Committee, who will take into account factors such as the PSP Participants' capability, scope of responsibility and skill. The Committee will also set specific performance-based criteria such as profitability, growth, asset efficiency, return on capital employed, and other financial indicators such as penetration into new markets, increasing market share and market ranking, management skills and succession planning. In addition to the achievement of any pre-determined performance targets, Awards may also be granted upon the Committee's post-event determination that any PSP Participant has performed well and/or made a significant contribution to the Company.

Awards are vested and the Shares comprised in the Awards are issued at the end once the Committee is, at its sole discretion, satisfied that the prescribed performance targets have been achieved. The Committee may also grant an Award where in its opinion a PSP Participant's performance and/or contribution to the Company warrants it.

Special provisions for the vesting and lapsing of Awards apply in certain circumstances, including the following:

(a) the termination of the employment of a PSP Participant;

(b) the misconduct of a PSP Participant as determined by the Committee in its absolute discretion;

(c) the retirement, ill-health, injury, disability, or death of a PSP Participant;

(d) the bankruptcy of a PSP Participant or the occurrence of any other event which results in his being deprived of the legal or beneficial ownership of an Award;

(e) the PSP Participant, being a Director, ceasing to be a Director of the Company for any reason whatsoever;

(f) a winding-up of the Company; or

(g) any other event approved by the Committee.

Awards are personal to the PSP Participant to whom they are given and shall not be transferred (other than to a PSP Participant's personal representative on the death of the former), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior approval of the Committee.

(iv) Entitlement to Awards

The selection of a PSP Participant and the number of Shares which are the subject of each Award to be granted to a PSP Participant in accordance with the Valuetronics PSP 2017 shall be determined at the absolute sole discretion of the Committee, which shall take into account criteria such as his rank, job performance, potential for future development, contribution to the success of the Group and the extent of effort and resourcefulness required to achieve the service conditions and/or performance targets within the performance and/or service periods. Subject to the Act, the Bermuda Companies Act and any requirements of the SGX-ST, the terms of eligibility of any PSP Participant may be amended from time to time at the absolute sole discretion of the Committee.

The terms of employment or appointment of a PSP Participant shall not be affected by his participation in the Valuetronics PSP 2017, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment or appointment for any reason.

(v) Details of Awards

The Committee shall in its sole and absolute discretion, decide, in relation to each Award to be granted to a PSP Participant:

(a) the date on which the Award is to be granted;

(b) the number of Shares or their Equivalent in Cash (based on the aggregate market value of the Shares which are the subject of the Award) or if a combination of both, the proportion between the Shares and the cash which are the subject of the Award;

(c) the prescribed service conditions and/or performance targets (including the performance periods during which the prescribed performance targets are to be satisfied) and/or any other basis on which the Award is to be granted;

(d) the prescribed vesting periods which would generally be a period of one to two years following such time when the prescribed service conditions and/or performance targets are met;

(e) the extent to which Shares which are the subject of that Award shall be vested at the end of each prescribed vesting period or on the prescribed performance targets and/or service conditions, if any, being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be; and

(f) any other condition which the Committee may determine in relation to that Award.

(vi) Operation

Subject to the prevailing legislation and the Listing Rules, the Company shall on the date of release of an Award do any one or more of the following as it deems fit in its sole and absolute discretion:

(a) allot and issue the relevant New Shares to the PSP Participant, and apply to the SGX-ST, for permission to deal in and for quotation of such Shares; and/or

(b) deliver existing Shares to the PSP Participant, whether such existing Shares are acquired pursuant to a share purchase mandate or (to the extent permitted by law) held as Treasury Shares; and/or

(c) subject to the prior approval of the Committee and at the Committee's absolute discretion, pay the Equivalent Value in Cash (after deduction of any applicable taxes) to the PSP Participant, in lieu of issuing or delivering all or some of the Shares to be issued or delivered to the PSP Participant.

"**Equivalent Value in Cash**" to be paid to a PSP Participant in lieu of the New Shares to be issued or delivered upon release of an Award, shall be calculated in accordance with the following formula:

A = B x C

Where:

"**A**" is the Equivalent Value in Cash to be paid to the PSP Participant in lieu of all or some of the New Shares to be issued or delivered upon the vesting of an Award;

"**B**" is equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the first five (5) Market Days on which there were transactions done for the New Shares on the SGX-ST immediately preceding the date of release of an Award in accordance with the rules of the Valuetronics PSP 2017; and

"**C**" is such number of New Shares (as determined by the Company in its sole and absolute discretion) in respect of which cash will be paid to a PSP Participant in lieu of New Shares to be issued or delivered to the PSP Participant upon the release of an Award in accordance with the rules of the Valuetronics PSP 2017.

In determining whether to issue New Shares or to purchase existing Shares or to pay the Equivalent Value in Cash to PSP Participants to satisfy Awards, the Committee shall have the right to take into account factors such as (but not limited to) the number of New Shares to be delivered, the prevailing market price of the New Shares and the cost to the Company of the various modes of settlement.

(vii) Adjustments and Alterations

(1) Variation of Capital

(i) If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves, rights issue, issue of shares for nil consideration, reduction, sub-division, consolidation, distribution or otherwise) shall take place, then:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested or released (as the case may be);

(b) the class and/or number of Shares over which future Awards may be granted under the Valuetronics PSP 2017; and/or

(c) the maximum number of New Shares which may be issued pursuant to Awards under the Valuetronics PSP 2017,

shall be adjusted in such manner as the Committee may determine to be appropriate (at its sole discretion), which will not result in a PSP Participant receiving a benefit that a Shareholder does not receive.

(ii) Unless the Committee considers an adjustment to be appropriate, each of the following events shall not normally be regarded as a circumstance requiring adjustment:

(a) the issue of securities as consideration for an acquisition or a private placement of securities;

(b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force;

(c) an issue of Shares, or other securities convertible into or with rights to acquire or subscribe for Shares, to employees or Directors of the Company pursuant to purchases approved by Shareholders in general meeting, including the Valuetronics PSP 2017;

(d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business;

(e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company;

(f) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; or

(g) upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants.

(iii) Every adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not arbitrators) to be in their opinion, fair and reasonable. No adjustment shall be made if the result of the adjustment would be that a PSP Participant would receive a benefit that a Shareholder does not receive.

(2) Modifications or Amendments to the Valuetronics PSP 2017

The rules of the Valuetronics PSP 2017 may be modified and/or altered from time to time by a resolution of the Committee, subject to compliance with the Listing Manual and such other regulatory authorities as may be required.

No modification or amendment shall be made to the rules of the Valuetronics PSP 2017 to the advantage of the PSP Participants except with the prior approval of Shareholders in general meeting.

(viii) Disclosures in Annual Report

In accordance with the Listing Manual, the following shall be disclosed by the Company in its annual report as long as the Valuetronics PSP 2017 continues in operation:

(i) the names of the members of the Committee administering the Valuetronics PSP 2017;

(ii) the information required below for PSP Participants who have received Shares pursuant to the release of Awards under the Valuetronics PSP 2017, which, in

aggregate, represent five percent (5%) or more of the total number of New Shares available under the Valuetronics PSP 2017 and the Valuetronics ESOS 2017 collectively:

(aa) Name of PSP Participant;

(bb) Aggregate number of Shares comprised in Awards granted during the financial year under review (including terms);

(cc) Aggregate number of Shares comprised in Awards which have been granted since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review;

(dd) Aggregate number of Shares issued or transferred pursuant to the vesting of Awards under the Valuetronics PSP 2017 since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review; and

(ee) Aggregate number of Shares comprised in Awards which have not been vested as at the end of the financial year under review.

(iii) that Directors (excluding Controlling Shareholders and/or their Associates) are eligible to participate in the Valuetronics PSP 2017; and

(iv) such other information that may be required under the Listing Manual and the Act,

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

3.3 Rationale

The main objectives of the Valuetronics PSP 2017 are:

(i) to enhance the Company's flexibility and effectiveness in its continuing efforts to retain, reward, and motivate key executives and employees and to inspire superior performance from PSP Participants;

(ii) to enhance the Company's competitive edge in attracting, recruiting and retaining talented employees and key management executives; and

(iii) to reinforce the ownership culture by staff with the long-term performance and growth of the Company by more directly aligning their interests with those of the Shareholders.

The adoption of the Valuetronics PSP 2017 coupled with the Valuetronics ESOS 2017 will enable the Company to structure a competitive remuneration package for compensating the PSP Participants rather than merely through salaries, salary increments, cash bonuses and options. Furthermore, both the Valuetronics PSP 2017 and the Valuetronics ESOS 2017 will further strengthen the Company's competitiveness in attracting and retaining talent.

3.4 Financial Effects of the Valuetronics PSP 2017

Details of the costs to the Company of granting Awards pursuant to the Valuetronics PSP 2017 would be as follows:

IFRS 2 is applicable for the financial statements of the Company. PSP Participants may receive Shares or their equivalent cash value, or combinations thereof in settlement of the Awards. In the event that the PSP Participants receive Shares, the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognized as a charge to the income statement over the vesting period of an Award and a corresponding credit to reserve account. For Awards, the total amount of charge over the vesting period is based on the market price at the Date of Grant adjusted to take into the account the terms and conditions (see following paragraph where there are non-market conditions attached) upon which the Awards were granted. Before the end of the vesting period, at each accounting year end, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made. This accounting treatment has been referred to as the "**modified grant date method**", because the number of Shares included in the determination of the expense relating to employee services is adjusted to reflect the actual number of Shares that eventually vest but no adjustment is made to changes in the fair value of the Shares since the Date of Grant.

The amount charged to the income statement would be the same whether the Company settles the Awards using New Shares or existing Shares ("**equity settlement**"). In the case of Awards, the amount of the charge to the income statement also depends on whether or not the performance target attached to an Award is a "**market condition**", that is a condition which is related to the market price of the Shares. If the performance target is not a market condition, the fair value of the Shares granted at the Date of Grant is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, if the Awards do not ultimately vest, the amount charged to the income statement would be reversed at the end of the vesting period.

In the event that the PSP Participants receive cash ("**cash settlement**"), the Company shall measure the fair value of the liability at the Date of Grant. Until the liability is settled, the Company shall re-measure the fair value of the liability at each accounting date and at the date of settlement, with changes in the fair value recognized in the income statement.

For a share-based payment transaction in which the terms of the arrangement provide a company with the choice of whether to settle in cash or by issuing equity instruments, the company shall determine whether it has a present obligation to settle in cash and account for the share-based payment transaction accordingly. The company has a present obligation to settle in cash if the choice of settlement in equity instruments has no commercial substance (for example, because the entity is legally prohibited from issuing shares), or the company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement.

If the company has a present obligation to settle in cash, it shall account for the transaction in accordance with the requirements applying to cash settlement. If no such obligation exists, the entity shall account for the transaction in accordance with the requirements applying to equity settlement.

Under the Valuetronics PSP 2017, the choice of settlement lies with the Company. It does not have an obligation to settle in cash. Therefore the Company shall account for Awards in accordance with the requirements of an equity settlement referred to in the foregoing paragraph.

(a) Share Capital

The Valuetronics PSP 2017 will result in an increase in the Company's issued share capital when New Shares are issued to PSP Participants. The number of New Shares issued will depend on, *inter alia*, the number of Shares comprised in the Awards, and the prevailing market price of the Shares on the SGX-ST. If, instead of issuing New Shares to the PSP Participants, existing Shares are purchased for delivery to the PSP Participants, the Valuetronics PSP 2017 will have no impact on the Company's issued share capital. Likewise, in the event that the Company elects to pay the equivalent value in cash instead or issuing or delivering Shares, there will also not be any impact on the Company's issued share capital.

(b) NTA

The grant of Awards under the Valuetronics PSP 2017 is likely to result in a charge to the Company's profit and loss account over the period from the Date of Grant of the Awards to the vesting date of the Awards. The amount of the charge will be computed in accordance with the modified grant date method under IFRS 2 (as explained above). If New Shares are issued to PSP Participants, there would be no effect on the consolidated NTA of the Company. However, if instead of issuing New Shares, existing Shares are purchased for delivery to PSP Participants or the Company pays the equivalent cash value, the consolidated NTA of the Company would decrease by the cost of the Shares purchased or the cash payment accordingly.

(c) EPS

The Valuetronics PSP 2017 is likely to result in a charge to earnings over the period from the Date of Grant to the vesting date of the Awards, computed in accordance with the accounting method as stated above, as well as an increase in the total number of issued Shares (excluding Treasury Shares) if New Shares are issued under the Valuetronics PSP 2017.

(d) Dilutive Impact

While the actual impact on the NTA per Share and EPS will be dependent on many factors such as actual vesting period and the fair value of each Award granted at the Date of Grant and the number of Shares vested at the vesting date, the Valuetronics PSP 2017 provides that the aggregate number of New Shares to be issued under (i) the Valuetronics PSP 2017, (ii) the Valuetronics ESOS 2017, and (iii) any other share-based incentive schemes of the Company will be subject to the maximum limit of fifteen per cent (15%) of the Company's total number of issued Shares (excluding

Treasury Shares) for the entire ten (10) year duration of the Valuetronics PSP 2017. It is therefore expected that the dilutive impact of the Valuetronics PSP 2017 on the NTA per Share and the EPS should not be significant.

4. THE PROPOSED AMENDMENT OF THE BYE-LAWS OF THE COMPANY

4.1 Background and Rationale

Following the passage of the Companies (Amendment) Bill 2014 by the Singapore Parliament in October 2014, legislative changes to the Act were effected in two phases on 1 July 2015 and 3 January 2016. On 11 January 2016, the SGX-ST introduced a consultation paper proposing amendments to the Listing Rules for alignment with the amendments to the Act. On 22 March 2017, the SGX announced the amendments in its response to comments on the consultation paper. The new Listing Rules have taken effect on 31 March 2017.

The Company is proposing to align its Bye-Laws with the Singapore Companies (Amendment) Act 2014, to the extent practicable and is permitted by (or is not otherwise contrary to) the laws of Bermuda, to benefit from the changes introduced to the Act. Key changes introduced by the Singapore Companies (Amendment) Act 2014 include, amongst others, to facilitate the electronic transmission of notices and documents. At the same time, the Company also seeks to ensure that its Bye-Laws are in line with the changes to the Bermuda Companies Act introduced by, *inter alia,* the Companies Amendment (No. 2) Act 2011 of Bermuda (the "**2011 Amendment Act**") and the Companies Amendment (No. 2) Act 2014 of Bermuda (the "**2014 Amendment Act**"), and complies with the prevailing requirements of the Listing Manual, and also streamline and rationalise certain other provisions in the existing Bye-Laws.

The Company confirms that the proposed amendments are consistent and in accordance with the Listing Manual, and in particular, complies with Rule 730(2) of the Listing Manual.

4.2 Alignment with the Act

The following Bye-Laws include provisions which are in line with the Act, as amended pursuant to the Singapore Companies (Amendment) Act 2014, and which are compliant with (or is otherwise not contrary to) the Bermuda Companies Act:

4.2.1 Amendment of Bye-Law 1(A)

Bye-Law 1(A), which comprises the interpretation section of the Bye-Laws, includes the following additional/revised provisions:

a. The definition of "Depositor", "Depository" and "Depository Register" is amended to have the meanings ascribed to them respectively in the SFA. This is for alignment with the migration of the provisions in the Act which relate to the Central Depository System to the SFA pursuant to the Singapore Companies (Amendment) Act 2014.

b. The definition of "Financial Statements" has been included to facilitate the implementation of the electronic transmission regime.

4.2.2 Amendment of Bye-Law 7

The new section 67 of the Act allows a company to use its share capital to pay for any expenses incurred directly in the issue of new shares. The new provision reflects the commercial reality that it is normal for a company to use the amount raised from its share capital for its business needs.

Accordingly, it is proposed that Bye-Law 7 be amended to clarify that where permitted by the statutes, expenses (including commission and/or brokerage) incurred in the issue of new shares and paid out of the Company's share capital shall not be taken as reducing the amount of share capital of the Company.

4.2.3 Amendment of Bye-Law 85

Bye-Law 85 has been revised to make it clear that the maximum number of votes which a Depositor or his proxy can cast on a poll is the number of shares credited to the Securities Account of that Depositor as shown in the records of the Depository as at 72 hours before the time of the relevant general meeting. This is for alignment with the new section 81SJ(4) of the SFA.

The cut-off time for the deposit of proxies has been extended from 48 to 72 hours before the time appointed for holding the general meeting. This is for alignment with section 178(1)(c) of the Act, as amended by the Singapore Companies (Amendment) Act 2014.

4.3 Alignment with the Bermuda Companies Act

The following Bye-Laws include provisions which are in line with the Bermuda Companies Act, as amended by, amongst others, the 2011 Amendment Act, the 2014 Amendment Act and the Specified Business Legislation Amendment Act 2011:

4.3.1 To amend Bye-Law 3

Section 45(1) of the Bermuda Companies Act was amended in 2014 pursuant to the 2014 Amendment Act so that a company may authorise the alteration of its share capital, by a general meeting alone, where the alteration to be made by the company seeks to increase its capital, change its currency denomination of capital, or cause the diminution of its capital, or a company may amend its share capital with authorisation either by a general meeting or by the company's bye-laws where the company seeks to, *inter alia*, divide its shares into separate classes, consolidate its shares, or subdivide its shares.

Accordingly, Bye-Law 3, which relates to the ways by which the Company may alter its share capital by Ordinary Resolution, has been amended to clarify that the Company may only do so in any manner and to the extent permitted by law (including the rules or regulations of the SGX-ST for so long as the Shares are listed on the SGX-ST).

4.3.2 To amend Bye-Law 63A

Bye-Law 63A has been amended to clarify that where the Shares are no longer listed on SGX-ST, the Company need not hold any Annual General Meeting ("**AGM**") if the holding of AGMs is dispensed with in accordance with the Bermuda Companies Act. This amendment is made as the Bermuda Companies Act was amended in 2011 pursuant to the 2011 Amendment Act to give the power to the companies to elect to dispense with holding an annual general meeting.

4.3.3 To amend Bye-Law 94

Section 91 of the Bermuda Companies Act was amended in 2014 pursuant to the 2014 Amendment Act to provide that a company's affairs shall be managed by at least 1 director (as opposed to not less than 2 directors, as previously required).

Accordingly, Bye-Law 94 has been amended to make it clear that the number of Directors shall be at least one (1).

4.3.4 To amend Bye-Law 104

The Bermuda Companies Act was amended in 2014 pursuant to the 2014 Amendment Act to give the power to companies to elect to dispense with holding annual general meetings. Therefore, the requirement that Directors hold office only until the next AGM only applies for so long as the Company remains listed on the SGX-ST.

Accordingly, Bye-Law 104 has been amended to make it clear that where the Shares are no longer listed on the SGX-ST, the Board need not retire at the next AGM if the holding of AGMs is dispensed with in accordance with the Bermuda Companies Act.

4.3.5 To amend Bye-Law 167A

A new subsection was inserted to section 83 of the Bermuda Companies Act in 2011 pursuant to the Specified Business Legislation Amendment Act 2011 to require every Bermuda company to keep its records of account for 5 years. Prior to the amendment in 2011, the Bermuda Companies Act did not prescribe a definite time frame for a Bermuda company to keep its records of account.

Accordingly, Bye-Law 167A, which relates to the keeping of proper records of account, has been amended to provide that the Board shall cause such accounts to be kept for 5 years from the date on which they were prepared (or such other period as may be required under the Bermuda Companies Act). This is for alignment with section 83 of the Bermuda Companies Act.

4.4 Alignment with the Listing Manual

Rule 730(2) of the Listing Manual provides that if an issuer amends its articles or other constituent document, they must be made consistent with all the Listing Rules prevailing at the time of amendment.

The following Bye-Laws have been updated to ensure consistency with the Listing Rules prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual.

4.4.1 To insert new Bye-Law 6(E)

It is proposed to insert Bye-Law 6(E), being a new provision, which provides that the rights attaching to shares of a class other than ordinary shares must be expressed in the Bye-Laws. This is in line with paragraph (1)(b) of Appendix 2.2 of the Listing Manual.

4.4.2 To amend Bye-Law 63(A)

Bye-Law 63(A) which relates to, *inter alia*, the convening of general meetings of the Company, has been amended to make it clear that for so long as the Shares are listed or admitted for trading on SGX-ST, all general meetings shall be held in Singapore, unless prohibited by law. This is in line with Rule 730A(1) of the Listing Manual.

Bye-Law 63(A) which also stipulates the time-frame for holding AGMs, has been revised to remove the requirement to hold an AGM within 15 months from the last preceding AGM. The reference to the 15-month deadline to convene an AGM was previously intended for alignment with the requirements of the Act then, and this now has been superseded. The 15-month deadline has been removed pursuant to the Singapore Companies (Amendment) Act 2017, which has been passed by the Singapore Parliament on 10 March 2017.

4.4.3 To renumber the existing Bye-Law 73 as 73(B), insert a new subparagraph 73(A) and to amend Bye-Law 74

Bye-Law 73(A) is a new provision to make it clear that, if required by the Listing Rules, all resolutions at general meetings shall be voted on by poll (unless such requirement is waived by the SGX-ST). These changes are in line with Rule 730A(2) of the Listing Manual. Consequential changes have been made to Bye-Law 74.

4.4.4 To insert Bye-Law 104(A)

Bye-Law 104(A) has been inserted to call for the resignation of a Director if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds, in line with paragraph (9)(n) of Appendix 2.2 of the Listing Manual, which provides that:

"Where a director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds, he must immediately resign from the board."

4.5 General

The following Bye-Laws have been updated, streamlined and rationalised generally:

4.5.1 To amend Bye-Law 62(B)

For the purpose of aligning Bye-Law 62(B) which allows the reduction of capital by Special Resolution with Bye-Law 145(A) which grants the Company the power to capitalise based on a mandate obtained at a general meeting.

Bye-Law 62(B) has been amended to clarify that a reduction of the capital redemption reserve fund or any share premium account or other undistributable reserve does not amount to a reduction of the Company's share capital under the Bermuda Companies Act if such reduction does not result in a corresponding reduction of its share capital as a whole. Accordingly, the provisions of the Bermuda Companies Act and these Bye-Laws applicable to a reduction of share capital shall not apply.

4.5.2 To amend Bye-Law 87

With the passing of the Singapore Companies (Amendment) Act 2017, the requirement for Singapore companies and LLPs to use the common seal has been removed. Bye-Law 87 has been amended to provide that if the appointor of a proxy is a corporation, there is no requirement for the instrument appointing a proxy to bear the corporation's seal.

4.5.3 To amend Bye-Law 88

Bye-Law 88 has been amended to reflect that the cut-off time for the deposit of instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, has been extended from 48 to 72 hours before the time appointed for holding the general meeting. This is for alignment with section 178(1)(c) of the Act, as amended by the Singapore Companies (Amendment) Act 2014.

4.5.4 To amend Bye-Law 172(A), renumber Bye-Law 172(B) as Bye-Law 172(E) and to insert new subparagraphs 172(B), 172(C) and 172(D)

Under the new section 387C of the Act, notices and documents may be given, sent or served using electronic communications with the express, implied or deemed consent of the member in accordance with the constitution of the company, as elaborated further below:

(a) There is express consent if the said member expressly agrees with the company that notices and documents may be given, sent or served on him using electronic communications.

(b) There is implied consent from the member if the constitution of the issuer (a) provides for the use of electronic communications; (b) specifies the manner in which electronic communications is to be used; and, (c) provides that the member shall agree to such a mode, without the right to elect to receive a physical copy of such document.

(c) There is deemed consent if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that the said member will be given an

opportunity to elect, within a specified period of time, whether to receive electronic or physical copies of such notices and documents, and the member fails to make an election within the specified period of time.

Bye-Law 172(B), which relates to the methods of service of notices and documents to Shareholders, has been inserted to stipulate that various modes through which notices may be given to Shareholders, including through electronic means, shall in each case be to the extent permitted by the applicable statutes and the rules or regulations of the Designated Stock Exchange (as defined in the Bye-Laws).

Bye-Law 172(C) has been inserted to state that Shareholders have given "implied consent" for the use of electronic communications specified in the new Bye-Law 172(B).

Bye-Law 172(D) has been inserted to stipulate that the Board may deliver information or documents by publication of an electronic record of such information on a website and by sending Shareholders a notice of their availability.

The Company has chosen to implement the implied consent regime for electronic communications. However, Shareholders are to note that when the Company uses electronic communications to circulate documents to a Shareholder, the Company will also inform the Shareholder as soon as practicable of how to request a physical copy of that document. The Company will also circulate physical copies of notices or documents relating to take-over offers and rights issues as required under the Act.

4.5.5 To renumber the existing Bye-Law 174 as 174(A) and to insert new subparagraph 174(B)

Bye-Law 174, which relates to when notice by post is deemed to be served, has been renumbered as Bye-Law 174(A).

Bye-Law 174(B) has been inserted to stipulate when service or delivery has been deemed to have occurred when the Shareholder is notified in line with the new Bye-Laws 172(B), 172(C), 172(D) and 172(E).

4.5.6 To amend Bye-Law 188

Bye-Law 188(B), which relates to the disclosure of interests by person(s) with substantial shareholding in the Company, has been simplified to require such person(s) to comply with Part VII (Disclosure of Interests) of the SFA which provides for the disclosure of such interests.

Bye-Law 188(A) has also been amended as Part VII (Disclosure of Interests) of the SFA also applies to Directors and the Chief Executive Officer of the Company.

4.6 Text of Bye-Laws to be Amended

The proposed amendments to the Bye-Laws are set out in Annexure 3 to this Circular. The proposed amendments to the Bye-Laws are subject to Shareholders' approval.

5. DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests of Directors in the Shares, based on the Company's register of interests of Directors are as follows:

Directors	Direct Interest		Indirect/Deemed Interest		Total Interest	
	Number of Shares[(1)]	%	Number of Shares	%	Number of Shares	%
Tse Chong Hing	75,990,411	18.1	–	–	75,990,411	18.1
Chow Kok Kit	32,000,361	7.6	–	–	32,000,361	7.6
Ong Tiew Siam	–	–	–	–	–	–
Loo Cheng Guan	–	–	–	–	–	–
Tan Siok Chin	–	–	–	–	–	–

Note:

(1) Adjusted for the bonus issue of one (1) new Share for every ten (10) existing Shares as approved in the Special General Meeting held on 22 May 2017. Details of the said bonus issue are set out therein.

6. DIRECTORS' RECOMMENDATIONS

The Directors who are eligible for the Valuetronics ESOS 2017 and the Valuetronics PSP 2017 are Mr. Chow Kok Kit, Mr. Ong Tiew Siam, Mr. Loo Cheng Guan and Ms. Tan Siok Chin, and will abstain from making any recommendations on ordinary resolutions 1, 2 and 3. Accordingly, Mr. Tse Chong Hing (who is not eligible for the Valuetronics ESOS 2017 and the Valuetronics PSP 2017) is of the opinion that the proposed adoption of (i) the Valuetronics ESOS 2017 and (ii) the Valuetronics PSP 2017 are in the interests of the Company and he recommends that Shareholders vote in favour of the ordinary resolutions 1, 2 and 3 relating to the adoption of (i) the Valuetronics ESOS 2017 and (ii) the Valuetronics PSP 2017, as set out in the notice of SGM.

All the Directors are of the opinion that the proposed amendments to the Bye-Laws of the Company are in the interests of the Company and accordingly, the Directors recommend that Shareholders vote in favour of the special resolution relating to the proposed amendments to the Bye-Laws of the Company, as set out in the notice of SGM.

7. SPECIAL GENERAL MEETING

The SGM, notice of which is set out on pages 83 to 85 of this Circular, will be held on 24 July 2017 at Level 3, Venus Room I & II, Furama RiverFront, Singapore, 405 Havelock Road, Singapore 169633 at 10.30 a.m. (or immediately after the conclusion or adjournment of the Annual General Meeting convened on the same day and at the same place at 9.30 a.m.) for the purpose of considering and, if thought fit, passing the Ordinary Resolutions (with or without any modification) as set out in the notice of SGM.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given herein 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 adoption of (i) the Valuetronics ESOS 2017, (ii) the Valuetronics PSP 2017 and (iii) the proposed amendment of the Bye-Laws of the Company, 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 this 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 this Circular in its proper form and context.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

If a Depositor who is an individual is unable to attend the SGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed depositor proxy form ("**Depositor Proxy Form**") in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's Singapore Share Transfer Agent, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not later than 10.30 a.m. on 22 July 2017. Completion and return of the Depositor Proxy Form by a Depositor will not preclude him from attending and voting in person at the SGM in place of his proxy if he so wishes.

A Depositor will not be regarded as a member of the Company entitled to attend the SGM and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the SGM.

A Depositor who is not an individual can only be represented at the SGM if its nominee/nominees is/are appointed as the CDP's proxy/proxies. To appoint its nominee/nominees as proxy/proxies of the CDP and to enable its nominee/nominees to attend and vote at the SGM, such Depositor should complete, execute and deposit the Depositor Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event, so as to reach the Company's Singapore Share Transfer Agent, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not less than 48 hours before the time fixed for holding the SGM.

10. ABSTENTION FROM VOTING

Shareholders (including eligible Directors who are also Shareholders, namely Mr. Chow Kok Kit) who are entitled to participate in the Valuetronics ESOS 2017 and the Valuetronics PSP 2017 must abstain from voting on the resolutions regarding the Valuetronics ESOS 2017 and the Valuetronics PSP 2017 as set out in the notice of SGM. Such Shareholders should also decline appointment as proxies for voting at the SGM in respect of the aforesaid resolutions, unless specific instructions have been given in the Depositor Proxy Form on how the votes are to be cast for each of the aforesaid resolutions.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Company's Share Transfer Agent, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544 during normal business hours from the date of this Circular up to the date of the SGM:

(a) the Annual Report of the Company for FY2017;

(b) the existing Memorandum of Association and Bye-Laws of the Company;

(c) the rules of the Valuetronics ESOS 2017; and

(d) the rules of the Valuetronics PSP 2017.

Yours faithfully,
For and on behalf of the Board of Directors of
VALUETRONICS HOLDINGS LIMITED

Tse Chong Hing
Chairman and Managing Director

ANNEXURE 1

RULES OF THE PROPOSED VALUETRONICS EMPLOYEE SHARE OPTION SCHEME 2017

1. NAME OF THE EMPLOYEE SHARE OPTION SCHEME

This employee share option scheme shall be called the Valuetronics Employee Share Option Scheme 2017.

2. DEFINITIONS

In the Valuetronics Employee Share Option Scheme 2017, except where the context otherwise requires, the following words and expressions shall have the following meanings:

"**Act**"	:	The Companies Act, Cap. 50, of Singapore, as amended from time to time
"**Auditors**"	:	The auditors of the Company for the time being
"**Award**"	:	A contingent award of Shares granted under the Valuetronics PSP 2017
"**Bermuda Companies Act**"	:	The Companies Act 1981 of Bermuda, as amended from time to time
"**Board**"	:	The board of directors of the Company as at the date of this Circular
"**Business Day**"	:	Any day other than a Saturday, Sunday or gazetted public holiday on which clearing banks are open for normal banking business in Singapore
"**Bye-Laws**"	:	The Bye-Laws of the Company, as amended, varied or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Committee**"	:	The Remuneration Committee, comprising Directors of the Company from time to time
"**Company**"	:	Valuetronics Holdings Limited
"**Controlling Shareholder**"	:	A Shareholder who: (a) holds directly or indirectly 15% or more of the total number of Shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is a controlling shareholder; or (b) in fact exercises control over the Company

ANNEXURE 1

"**CPF**"	:	The Central Provident Fund
"**Date of Grant**"	:	In relation to an Option, the date on which that Option is granted to an ESOS Participant pursuant to the rules of the Valuetronics ESOS 2017
"**Directors**"	:	The directors of the Company as at the date of this Circular
"**ESOS Participant**"	:	Any eligible person who is selected by the Committee to participate in the Valuetronics ESOS 2017, in accordance with the rules of the Valuetronics ESOS 2017
"**Executive Director**"	:	A director of the Company and/or any of its Subsidiaries, as the case may be, who performs an executive function
"**Exercise Price**"	:	The price at which an ESOS Participant shall subscribe for each Share upon the exercise of an Option which shall be the price as determined and adjusted in accordance with the rules of the Valuetronics ESOS 2017, provided always that the price shall not be less than the nominal value of a Share
"**Grantee**"	:	A person to whom an offer of an Option is made
"**Group**"	:	The Company and its Subsidiaries
"**Group Employee**"	:	A full-time confirmed employee of the Company, and/or any of its Subsidiaries, as the case may be, including any Executive Director and excluding any Controlling Shareholder and/or his Associate
"**Independent Director**"	:	An independent director of the Company and/or any of its Subsidiaries, as the case may be
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended, supplemented or modified from time to time
"**Listing Rules**"	:	The listing rules of the SGX-ST as set out in the Listing Manual
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities

"**Market Price**"	:	The price that is equal to the average of the last dealt prices for the Shares on the SGX-ST over the five (5) consecutive Market Days immediately preceding the relevant Offer Date of that Option, as determined by the Committee by reference to the daily official list or any other publication published by the SGX-ST, rounded to the nearest one-tenth of one (1) cent in the event of fractional prices
"**New Shares**"	:	The new Shares which may be allotted and issued from time to time pursuant to the exercise of Options under the Valuetronics ESOS 2017 and the release of Awards under the Valuetronics PSP 2017
"**Non-Executive Director**"	:	A director of the Company and/or any of its Subsidiaries, as the case may be, who does not perform an executive function
"**Offer Date**"	:	The date on which an offer to grant an Option is made pursuant to the Valuetronics ESOS 2017
"**Option**"	:	The right to subscribe for Shares granted or to be granted pursuant to the Valuetronics ESOS 2017
"**Ordinary Resolution**"	:	A resolution which has been passed by a simple majority of the votes cast by such Shareholders who, being entitled so to do, vote in person or where a corporate representative is allowed, by duly authorised corporate representative or, where proxies are allowed by proxy, at a general meeting held in accordance with the Bye-Laws
"**Record Date**"	:	The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
"**SFA**"	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, supplemented or modified from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited

"**Shareholders**"	:	Registered holders of Shares in the Register of Members maintained by the Company, except that where the registered holder is CDP the term "**Shareholders**" shall, where the context admits, mean the Depositors in the Depository Register maintained by CDP and to whose Securities Accounts are credited with Shares
"**Shares**"	:	Issued and paid up ordinary shares of par value HK$0.10 each in the capital of the Company
"**Treasury Shares**"	:	Issued Shares of the Company which were purchased and held as treasury shares by the Company in accordance with the applicable provisions of the Act and the Bermuda Companies Act
"**Valuetronics ESOS 2017**"	:	The proposed Valuetronics Employee Share Option Scheme 2017
"**Valuetronics PSP 2017**"	:	The Proposed Valuetronics Performance Share Plan 2017
"**%**"	:	Per centum or percentage

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**" and "**Subsidiary**" shall have the same meanings ascribed to them respectively in the Listing Manual and the Act.

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 in this Valuetronics ESOS 2017 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 Bermuda Companies Act, the Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Valuetronics ESOS 2017 shall, where applicable, have the same meaning ascribed to it under the Bermuda Companies Act, the Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day and to dates in this Valuetronics ESOS 2017 shall be a reference to Singapore time and dates, unless otherwise stated.

The headings in this Valuetronics ESOS 2017 are inserted for convenience only and shall be ignored in construing this Valuetronics ESOS 2017.

3. OBJECTIVES OF THE VALUETRONICS ESOS 2017

The Valuetronics ESOS 2017 is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognize outstanding employees of the Group who have contributed to the growth of the Group. The Valuetronics ESOS 2017 will give ESOS Participants an opportunity to have a personal equity interest in the Company and help to achieve the following main objectives:

(a) align the interests of ESOS Participants with the interests of the Shareholders;

(b) instill loyalty and a stronger sense of identification by ESOS Participants with the long-term development and growth of the Group;

(c) recognise the contributions made or to be made by ESOS Participants by rewarding them with a variable component in their remuneration package;

(d) make employee remuneration sufficiently competitive to (1) attract and recruit potential employees and directors with relevant skills to contribute to the Group and to create value for the Shareholders and/or (2) retain existing ESOS Participants whose contributions are important to the long-term growth and profitability of the Group; and

(e) motivate ESOS Participants to excel in their performance and to maintain a high level of contribution to the Group.

4. ELIGIBILITY

4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Valuetronics ESOS 2017:

(a) Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates);

(b) Non-Executive Directors (including Independent Directors),

provided that on or prior to the Date of Grant, such person has attained the age of twenty-one (21) years and is not an undischarged bankrupt and has not entered into a composition with his creditors.

4.2 There shall be no restriction on the eligibility of any ESOS Participant to participate in any other share option or share incentive schemes implemented or to be implemented by the Company or any other companies within the Group, provided that such ESOS Participant is eligible to participate in such other share option or share incentive scheme in accordance with its respective rules and provisions.

4.3 Subject to the Act, Bermuda Companies Act and any requirements of the SGX-ST, the terms of eligibility for participation in the Valuetronics ESOS 2017 may be amended from time to time at the absolute discretion of the Committee, which would be exercised judiciously.

5. LIMITATION ON THE SIZE OF THE VALUETRONICS ESOS 2017 AND MAXIMUM ENTITLEMENTS

5.1 Subject to rule 4 and this rule 5, the number of Shares over which Options may be granted to a Grantee for subscription under the Valuetronics ESOS 2017 shall be determined at the discretion of the Committee, which shall take into account criteria such as rank, past performance, years of service and potential development of the ESOS Participant.

5.2 Under the Valuetronics ESOS 2017, the aggregate nominal amount of Shares over which the Committee may grant Options on any date, when added to the nominal amount of Shares issued and issuable in respect of all Options shall not exceed fifteen percent (15%) of the issued share capital (excluding Treasury Shares) of the Company. The Board proposed that the aggregate number of New Shares issued and to be issued under the Valuetronics ESOS 2017 and the Valuetronics PSP 2017 will be subject to the existing maximum limit of fifteen percent (15%) of the Company's issued Shares (excluding Treasury Shares) from time to time.

6. OFFER DATE

6.1 Save as provided in rules 4 and 5, the Committee may offer to grant Options to such Grantees as it may select in its absolute discretion at any time during the period when the Valuetronics ESOS 2017 is in force, except that no Option shall be granted during the period of thirty (30) days immediately preceding the date of announcement of the Company's interim and/or final financial results (as the case may be). In addition, in the event that an announcement 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 Market Day on which such announcement is released.

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

7. ACCEPTANCE OF OFFER

7.1 An Option offered to a Grantee pursuant to rule 6 may only be accepted by the Grantee within thirty (30) days after the relevant Offer Date and not later than 5.00 p.m. on the 30th day from such Offer Date (a) by completing, signing and returning to the Company the acceptance form ("**Acceptance Form**") in or substantially in the form set out in Schedule B, subject to such modification as the Committee may from time to time determine, and (b) if, at the date on which the Company receives from the Grantee the Acceptance Form in respect of the Option as aforesaid, he remains eligible to participate in the Valuetronics ESOS 2017 in accordance with these rules. The grant of an Option shall be made in consideration of the agreement by the relevant Grantee to comply with and be subject to the terms of the Valuetronics ESOS 2017, and no cash consideration shall be required to be paid by the Grantee.

7.2 If a grant of an Option is not accepted strictly in the manner as provided in this rule, such offer shall, upon the expiry of the thirty (30) day period, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.

7.3 The Company shall be entitled at its absolute discretion to reject any purported acceptance of the grant of an Option made pursuant to this rule or Exercise Notice given pursuant to rule 11, which does not comply strictly with the terms and conditions of the Valuetronics ESOS 2017.

7.4 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, 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 as provided in rule 10.6 in the event of the death of such Grantee.

7.5 In the event that the grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null, void and of no effect and the relevant ESOS Participant shall have no claim whatsoever against the Company.

7.6 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 in the manner as provided in this rule within the thirty (30) day period; 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 ceases to be in the employment of the Group or ceases to be an Executive Director or Non-Executive 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.

8. EXERCISE PRICE

8.1 Subject to any adjustment pursuant to rule 8.4 and to rule 9, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee, in its absolute discretion, on the Date of Grant, at:

(a) a price equal to the Market Price; or

(b) a price which is set at a discount to the Market Price, provided that:

(i) the maximum discount shall not exceed twenty percent (20%) of the Market Price; and

(ii) the Shareholders in general meeting shall have authorised, in a separate resolution, the making of offers and grants of Options under the Valuetronics ESOS 2017 at a discount not exceeding the maximum discount as aforesaid.

8.2 In making any determination under rule 8.1(b) 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/or its Subsidiaries, as the case may be;

(b) the years of service and individual performance of the eligible Group Employee (including an Executive Director but excluding a Controlling Shareholder and/or his Associate) or Non-Executive Director (including an Independent Director);

(c) the contribution of the eligible Group Employee (including an Executive Director but excluding a Controlling Shareholder and/or his Associate) or Non-Executive Director (including an Independent Director) to the success and development of the Company and/or the Group; and

(d) the prevailing market conditions.

8.3 In the event that the Company is no longer listed on the SGX-ST or any other relevant stock exchange or trading in the Shares on the SGX-ST or such stock exchange is suspended for any reason for fourteen (14) days or more, the Exercise Price for each Share in respect of which an Option is exercisable shall be the fair market value of each such Share as determined by the Committee in good faith.

8.4 In no event shall any Share in respect of which an Option is exercisable be issued for less than the nominal value of a Share.

9. ADJUSTMENTS AND ALTERATIONS

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

(a) the Exercise Price for the Shares, class and/or number of Shares comprised in the Options to the extent unexercised and the rights attached thereto; and/or

(b) the class and/or number of Shares in respect of which additional Options may be granted under the Valuetronics ESOS 2017,

shall be adjusted in such manner as the Committee may determine to be appropriate, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

9.2 Notwithstanding the provisions of rule 9.1 above, no such adjustment shall be made (a) if as a result, an ESOS Participant receives a benefit that a Shareholder does not receive; and (b) if such adjustment would result in the Exercise Price being adjusted to be less than the nominal value of a Share.

9.3 The following (whether singly or in combination) shall not be regarded as events requiring adjustment unless the Committee considers an adjustment to be appropriate:

(a) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;

(b) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire New Shares in the capital of the Company (including the issue and allotment of Shares pursuant to any share-based incentive schemes implemented by the Company);

(c) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period which a share purchase mandate granted by Shareholders (or any renewal thereof) is in force; or

(d) any increase in the number of issued Shares as a consequence of exercise of options granted under the Valuetronics ESOS 2007.

9.4 Upon any adjustment required to be made pursuant to this rule, the Company shall notify each ESOS Participant (or his duly appointed personal representative(s) where applicable) in writing and deliver to him (or his duly appointed personal representative(s) where applicable) a statement setting forth the new Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in the Option so far as unexercised. Any adjustment shall take effect upon such written notification being given.

10. OPTION PERIOD

10.1 Options granted shall be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of a standard board lot size under the Listing Manual or any multiple thereof), at any time by an ESOS Participant during an option period to be determined by the Committee, provided always that:

(a) in the case of an Option granted to a Group Employee (including an Executive Director but excluding a Controlling Shareholder and/or his Associate) at an Exercise Price per Share which is equal to or higher than the Market Price, the commencement date of such option period shall take place after the first (1st) anniversary of the Date of Grant of that Option, and shall expire no later than the tenth (10th) anniversary of the Date of Grant of that Option;

(b) in the case of an Option granted to a Group Employee (including an Executive Director but excluding a Controlling Shareholder and/or his Associate) at an Exercise Price per Share which is at a discount to the Market Price, the commencement date of such option period shall take place after the second (2nd) anniversary of the Date of Grant of that Option, and shall expire no later than the tenth (10th) anniversary of the Date of Grant of that Option;

(c) in the case of an Option granted to a Non-Executive Director (including an Independent Director) at an Exercise Price per Share which is equal to or higher than the Market Price, the commencement date of such option period shall take place after the first (1st) anniversary of the Date of Grant of that Option, and shall expire no later than the fifth (5th) anniversary of the Date of Grant of that Option; and

(d) in the case of an Option granted to a Non-Executive Director (including an Independent Director) at an Exercise Price per Share which is at a discount to the Market Price, the commencement date of such option period shall take place after the second (2nd) anniversary of the Date of Grant of that Option, and shall expire no later than the fifth (5th) anniversary of the Date of Grant of that Option.

10.2 Any Option, which is not exercised before the end of the relevant option period, shall immediately lapse and become null and void and an ESOS Participant shall have no claim against the Company.

10.3 An Option shall, to the extent unexercised, immediately lapse and become null and void and an ESOS Participant shall have no claim against the Company:

(a) subject to rules 10.4, 10.5, 10.6 and 10.7, upon the ESOS Participant ceasing to be in the employment of the Company or any of the companies within the Group for any reason whatsoever; or

(b) upon the bankruptcy of the ESOS Participant or the happening of any other event, which results in his being deprived of the legal or beneficial ownership of such Option; or

(c) in the event of misconduct on the part of the ESOS Participant, as determined by the Committee in its absolute discretion.

For the purpose of rule 10.3(a), an ESOS Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

10.4 If an ESOS Participant ceases to be employed by the Group by reason of his:

(a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);

(b) redundancy;

(c) retirement at or after the legal retirement age; or

(d) retirement before the legal age with the consent of the Committee, or 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.

10.5 If an ESOS Participant ceases to be employed by a Subsidiary:

(a) by reason of 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

(b) for any other reason, provided the Committee gives its consent in writing,

he may, at the absolute discretion of the Committee, exercise any unexercised Options within the relevant option period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

10.6 If an ESOS Participant dies and at the date of his death holds any unexercised Option, such Option may, at the absolute discretion of the Committee, be exercised by the duly appointed legal personal representatives of the ESOS Participant within the relevant option period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

10.7 If an ESOS Participant, who is also a Director, ceases to be a Director for any reason whatsoever, 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.

11. EXERCISE OF OPTIONS, ALLOTMENT AND LISTING OF SHARES

11.1 An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of a standard board lot size under the Listing Manual or any multiple thereof), by an ESOS Participant giving notice in writing to the Company in or substantially in the form set out in Schedule C (the "**Exercise Notice**"), subject to such amendments as the Committee may 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) and any other documentation the Committee may require. All payments 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 abovementioned Exercise 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.

11.2 Subject to the Act, the Bermuda Companies Act and the Listing Manual, the Company shall have the flexibility to deliver Shares to ESOS Participants upon the exercise of their Options by way of:

(a) an allotment or issuance of New Shares; and/or

(b) subject to applicable laws, the transfer of existing Shares, including any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as Treasury Shares; and/or

(c) subject to the prior approval of the Committee and at the Committee's absolute discretion, pay the Equivalent Value in Cash (after deduction of any applicable taxes) to the ESOS Participant, in lieu of issuing or delivering all or some of the Shares to be issued or delivered to the ESOS Participant.

"**Equivalent Value in Cash**" to be paid to an ESOS Participant in lieu of the New Shares to be issued or delivered upon exercise of an Option, shall be calculated in accordance with the following formula:

A = B x C

Where:

"**A**" is the Equivalent Value in Cash to be paid to the ESOS Participant in lieu of all or some of the New Shares to be issued or delivered upon the exercise of an Option;

"**B**" is equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the first five (5) Market Days on which there were transactions done for the New Shares on the SGX-ST immediately preceding the date on which an Option is deemed to be exercised in accordance with the rules of the Valuetronics ESOS 2017; and

"**C**" is such number of New Shares (as determined by the Company in its sole and absolute discretion) to be issued or delivered to the ESOS Participant upon the exercise of an Option in accordance with the rules of the Valuetronics ESOS 2017.

In determining whether to issue New Shares or to deliver existing Shares or to pay the Equivalent Value in Cash to ESOS Participants to settle the exercise of the Option, the Committee shall have the right to take into account factors such as (but not limited to) amount of cash available, the number of shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing New Shares or purchasing existing Shares or paying the Equivalent Value in Cash.

In determining whether to issue New Shares or to purchase existing Shares to ESOS Participants or to pay the Equivalent Value in Cash to ESOS Participants to settle the exercise of the Option, the Company will take into account factors such as (but not limited to):

(a) the prevailing market price of the Shares;

(b) the prevailing market price of the Shares relative to the financial performance of the Company;

(c) the cash position of the Company;

(d) the projected cash needs of the Company;

(e) the dilution impact (if any);

(f) the cost to the Company of issuing New Shares or purchasing existing Shares or paying the Equivalent Value in Cash; and

(g) the liquidity of the Shares based on the average daily trading volume of the Shares, and in particular whether the repurchase by the Company of existing Shares to deliver to ESOS Participants upon exercise of their Options would materially impact upon the market price of the Shares.

11.3 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; and

(b) compliance with the rules, the Act, the Bermuda Companies Act and the Bye-Laws,

the Company shall, as soon as practicable after the exercise of an Option by an ESOS Participant but in any event within ten (10) Market Days after the date of the exercise of the Option in accordance with rule 11.1, allot, transfer or procure the transfer (as the case may be) of the Shares in respect of which such Option has been exercised by the ESOS Participant and procure the related entry of the ESOS Participant's name in the Company's Register of Members as the owner of such Shares within five (5) Market Days from the date of such allotment, dispatch the relevant share certificates to CDP for the credit of the Securities Account of that ESOS Participant by ordinary post or such other mode of delivery as the Committee may deem fit.

11.4 Where New Shares are allotted upon the exercise of an Option, the Company shall, as soon as practicable after the exercise of an Option, apply to the SGX-ST 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 ESOS Participant pursuant to any adjustments made in accordance with rule 9.

11.5 Shares which are allotted or transferred on the exercise of an Option by an ESOS Participant shall be issued or registered (as the case may be), as the ESOS Participant may elect, in the name of CDP to the credit of the Securities Account of the ESOS Participant maintained with CDP or the ESOS Participant's securities sub-account with a CDP Depository Agent.

11.6 Shares acquired upon the exercise of an Option shall be subject to all provisions of the Act, the Bermuda Companies Act and the Bye-Laws (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.

11.7 Except as set out in rule 11.2 and subject to rule 9, an Option does not confer on an ESOS Participant any right to participate in any new issue of Shares.

12. MODIFICATIONS

12.1 Any or all the provisions of the Valuetronics ESOS 2017 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

(a) no modification or alteration shall adversely alter the rights attached to any Option granted prior to such modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration except with the consent in writing of such number of ESOS Participants who, if they exercised their Options in full, would become entitled to not less than three-quarters of the total number of Shares which would fall to be issued and allotted upon exercise in full of all outstanding Options;

(b) the definitions of "Associate", "Controlling Shareholder", "Executive Director", "ESOS Participant" and the provisions of rules 4, 5, 6, 7, 8, 10, 11 and 13 and this rule 12 shall not be altered to the advantage of ESOS Participants except with the prior approval of the Shareholders in general meeting; and

(c) no modification or alteration shall be made unless in compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

12.2 Notwithstanding anything to the contrary contained in rule 12.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST and such other regulatory authorities as may be necessary) modify or amend these rules in any way to the extent necessary to cause the Valuetronics ESOS 2017 to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including but not limited to the SGX-ST).

12.3 The opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Option shall be final, binding and conclusive.

12.4 Written notice of any modification or alteration made in accordance with this rule 12 shall be given to all ESOS Participants.

13. ADMINISTRATION

13.1 The Valuetronics ESOS 2017 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board from time to time, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options offered or to be offered to him.

13.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Valuetronics ESOS 2017) for the implementation and administration of the Valuetronics ESOS 2017, to give effect to the provisions of the Valuetronics ESOS 2017 and/or to enhance the benefit of the Options to the ESOS Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Valuetronics ESOS 2017 and any dispute and uncertainty as to the interpretation of the Valuetronics ESOS 2017, any rule, regulation or procedure thereunder or any rights under the Valuetronics ESOS 2017 shall be determined by the Committee.

13.3 Neither the Valuetronics ESOS 2017 nor the grant of Options under the Valuetronics ESOS 2017 shall impose on the Company or the Committee any liability whatsoever in connection with:

(a) the lapsing of any Options pursuant to any provision of the Valuetronics ESOS 2017;

(b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Valuetronics ESOS 2017; and/or

(c) any decision or determination of the Committee made pursuant to any provision of the Valuetronics ESOS 2017.

13.4 Any decision or determination of the Committee made pursuant to any provision of the Valuetronics ESOS 2017 (other than a matter to be certified by the Auditors), including any decisions pertaining to disputes as to the interpretation of the Valuetronics ESOS 2017 or any rule, regulation or procedure thereunder or as to any rights under the Valuetronics ESOS 2017, shall be final, binding and conclusive.

14. DURATION

14.1 The Valuetronics ESOS 2017 shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date the Valuetronics ESOS 2017 is adopted by the Company in general meeting, provided always that the Valuetronics ESOS 2017 may continue beyond the above stipulated period with the approval of Shareholders by Ordinary Resolution in general meeting and of any relevant authorities, which may then be required.

14.2 The Valuetronics ESOS 2017 may be terminated at any time at the discretion of the Committee or by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Valuetronics ESOS 2017 is so terminated, no further Options shall be offered by the Committee hereunder.

14.3 The termination of the Valuetronics ESOS 2017 shall not affect Options which have been granted prior to such termination, whether such Options have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING UP

15.1 In the event of a take-over offer being made for the Company, ESOS Participants (including ESOS Participants holding Options which are then not exercisable pursuant to the provision of rule 10.1) holding Options as yet unexercised shall, notwithstanding rules 10 and 11 but subject to rule 15.5, 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 the SGX-ST, such expiry date is extended to a later date (in either case, being a date falling not later than the expiry of the option period relating thereto); or

(b) the date of expiry of the option period relating thereto,

whereupon any Option then remaining unexercised shall lapse and become null and void.

Provided always that, if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of the Act and, being entitled to do so, gives notice to the ESOS Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the ESOS Participant until the expiry of such specified date or the expiry of the option period relating thereto, whichever is earlier. Any Option not so exercised by the said specified date shall lapse and become null and void.

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 10.3, remain exercisable until the expiry of the option period.

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 corporation or corporations, ESOS Participants (including ESOS Participants holding Options, which are then not exercisable pursuant to the provision of rule 10.1) shall notwithstanding rules 10 and 11 but subject to rule 15.5, 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 sixty (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 shall lapse and become null and void, provided always that the date of exercise of any Option 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.

15.4 In the event that 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 soon after it dispatches such notice to each member of the Company give notice thereof to all ESOS Participants (together with a notice of the existence of the provision of this rule 15.4) and thereupon, each ESOS Participant (or his legal personal representative) 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 ESOS Participant credited as fully paid.

15.5 If in connection with the making of a general offer referred to in rule 15.1 or an event referred to in rule 15.2 above or a winding-up referred to in rule 15.4 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 ESOS Participants by the continuation of their Options or the grant of other options or otherwise, an ESOS Participant 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 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 periods referred to in this rule 15, it shall lapse and become null and void.

16. TERMS OF APPOINTMENT OR EMPLOYMENT UNAFFECTED

16.1 The Valuetronics ESOS 2017 or any Option granted under the Valuetronics ESOS 2017 shall not form part of any contract of employment between the Company and/or any of its Subsidiaries and any ESOS Participant and the rights and obligations of any ESOS Participant under the terms of his office or employment with such company within the Group shall not be affected by his participation in the Valuetronics ESOS 2017, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment or appointment for any reason whatsoever.

16.2 The Valuetronics ESOS 2017 shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company and/or any of its Subsidiaries directly or indirectly or give rise to any cause of action at law or in equity against the Company and/or any of its Subsidiaries.

17. DISCLOSURES IN ANNUAL REPORT

17.1 The Company shall disclose the following (where applicable) in its annual report for as long as the Valuetronics ESOS 2017 continues in operation and as from time to time required by the Listing Manual:

(a) The names of the members of the Committee;

(b) In respect of the following participants:

(i) participants who are Directors; and

(ii) participants, other than those in (i) above, who have been granted Options under the Valuetronics ESOS 2017 and/or who have received Shares pursuant to Awards granted under the Valuetronics PSP 2017 which, in aggregate, represent 5% or more of the aggregate of:

(1) the total number of New Shares available under the Valuetronics PSP 2017 and the Valuetronics ESOS 2017 collectively; and

(2) the total number of existing Shares purchased for delivery of Shares pursuant to the exercise of Options under the Valuetronics ESOS 2017 and Awards released under the Valuetronics PSP 2017,

the following information:

(aa) the name of the participant;

(bb) the following particulars relating to Options granted under the Valuetronics ESOS 2017:

(i) the aggregate Options granted during the financial year under review;

(ii) the aggregate number of Shares arising from Options exercised in the Valuetronics ESOS 2017 to the end of the financial year under review; and

(iii) the aggregate number of Shares comprised in Options outstanding as at the end of the financial year under review;

(cc) the following particulars relating to Awards released under the Valuetronics PSP 2017:

(i) the number of New Shares issued to such PSP Participant during the financial year under review;

(ii) the number of existing Shares transferred to such PSP Participant during the financial year under review;

(iii) the number of New Shares issued to such PSP Participant since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review; and

(iv) the number of existing Shares transferred to such PSP Participant since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review;

(c) in relation to the Valuetronics PSP 2017, the following particulars:

(i) the aggregate number of Shares comprised in Awards granted since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review;

(ii) the aggregate number of Shares comprised in Awards which have vested during the financial year under review and in respect of such Awards, the proportion of:

(1) New Shares issued; and

(2) existing Shares purchased, including the range of prices at which such Shares have been purchased,

upon the release of the vested Awards; and

(iii) the aggregate number of Shares comprised in Awards which have not been released as at the end of the financial year under review.

18. NOTICES AND COMMUNICATIONS

18.1 All notices and communications to be given by an ESOS Participant to the Company shall be made or sent to the registered office of the Company or such other address(es) (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to the ESOS Participant in writing.

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

18.3 Any notice or other communication from an ESOS Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notice or communication from the Company to an ESOS Participant shall be deemed to be received by that ESOS Participant, when left at the address specified in rule 18.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of dispatch.

18.4 An offer, grant, acceptance and/or any correspondence in relation thereto, may be communicated electronically through any form of electronic communication approved by the Committee for such purposes from time to time incorporating, if the Committee deems necessary, the use of such security and/or identification procedures and devices as may be approved by the Committee.

19. COSTS AND EXPENSES

19.1 Each ESOS Participant shall be responsible for all fees of CDP, any Depository Agent, or, if applicable, any CPF agent bank relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP and the crediting of the ESOS Participant's Securities Account with CDP, or the ESOS Participant's securities sub-account with a Depository Agent or, if applicable, CPF investment account with a CPF agent bank.

19.2 Save for the above, taxes referred to in rule 20 and such other costs and expenses expressly provided in the Valuetronics ESOS 2017 to be payable by the ESOS Participants, all other fees, costs and expenses incurred by the Company in relation to the Valuetronics ESOS 2017 including but not limited to the fees, costs and expenses relating to the issue and allotment, or transfer, of Shares pursuant to the exercise of any Option shall be borne by the Company.

20. TAXES

All taxes (including income tax, if applicable) arising from the exercise of any Option granted to any ESOS Participant under the Valuetronics ESOS 2017 shall be borne by that ESOS Participant.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions contained herein, the Board, the Committee and the Company shall not be held liable under any circumstances to any ESOS Participant or any person whomsoever for any costs, losses, expenses and damages whatsoever and howsoever arising in connection with the Valuetronics ESOS 2017 or the administration thereof including but not limited to the Company's delay or failure in issuing the New Shares or transferring or procuring the transfer of the existing Shares or applying for or procuring the listing of and quotation for the New Shares on the SGX-ST (and any other stock exchange on which the Shares may be listed or quoted).

22. DISPUTES

Any disputes or differences of any nature arising hereunder (including the interpretation or administration of the Valuetronics ESOS 2017) shall be referred to the Committee whose decision shall be final and binding in all respects.

23. ISSUE CONTRARY TO LAW

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

24. GOVERNING LAW

The Valuetronics ESOS 2017 shall be governed by, and construed in accordance with the laws of the Republic of Singapore, the Listing Manual and any other rule or regulation, which the SGX-ST may impose, from time to time. The ESOS Participants, by accepting the Options in accordance with the Valuetronics ESOS 2017, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

25. EXCLUSION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Company or an ESOS Participant shall have any right to enforce any provision of the Valuetronics ESOS 2017 or any Option by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore.

ANNEXURE 1

Schedule A

VALUETRONICS EMPLOYEE SHARE OPTION SCHEME 2017

LETTER OF OFFER

Serial No:

Date:

To: [Name]
[Designation]
[Address]

Private and Confidential

Dear Sir/Madam,

1. We have the pleasure of informing you that, pursuant to the Valuetronics Employee Share Option Scheme 2017 ("**Valuetronics ESOS 2017**"), you have been nominated to participate in the Valuetronics ESOS 2017 by the Committee (the "**Committee**") appointed by the Board of Directors of Valuetronics Holdings Limited (the "**Company**") to administer the Valuetronics ESOS 2017. Terms as defined in the rules of the Valuetronics ESOS 2017 shall have the same meaning when used in this letter.

2. Accordingly, in consideration of your agreement to comply with and be subject to the terms of the Valuetronics ESOS 2017, an offer is hereby made to grant you an option (the "**Option**"), to subscribe for, purchase and be allotted [●] Shares at the price of S$[●] per Share.

3. The Option may be exercised by you at any time during the period commencing from [●] to [●].

4. The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the prior approval of the Committee.

5. The Option shall be subject to the terms of the Valuetronics ESOS 2017, a copy of which is available for inspection at the business address of the Company.

6. If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form not later than 5.00 p.m. on [●], failing which this offer will lapse.

Yours faithfully,

For and on behalf of
VALUETRONICS HOLDINGS LIMITED
Name:
Designation:

ANNEXURE 1

Schedule B

VALUETRONICS EMPLOYEE SHARE OPTION SCHEME 2017

ACCEPTANCE FORM

Serial No:

Date:

To: The Committee,
Valuetronics Employee Share Option Scheme 2017
Valuetronics Holdings Limited
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

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 Valuetronics Employee Share Option Scheme 2017 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$ [●] per Share.

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 further acknowledge and confirm that you have not made any representation to induce me to accept the offer in respect of the said Option and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

ANNEXURE 1

Please print in block letters

Name in full	:	_____
Designation	:	_____
Address	:	_____
Nationality	:	_____
*NRIC/Passport No.	:	_____
Signature	:	_____
Date	:	_____

Note:

**Delete where inapplicable*

ANNEXURE 1

Schedule C

VALUETRONICS EMPLOYEE SHARE OPTION SCHEME 2017

EXERCISE NOTICE

Total number of ordinary shares (the "**Shares**") offered at S$[●] per 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	:	_____

To: The Committee,
Valuetronics Employee Share Option Scheme 2017
Valuetronics Holdings Limited
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, I hereby exercise the Option to subscribe for _____ Shares in Valuetronics Holdings Limited (the "**Company**") at S$ _____ per Share.

2. I enclose a *cheque/cashiers 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 Valuetronics Employee Share Option Scheme 2017 and the Bye-Laws 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 the name of The Central Depository (Pte) Limited ("**CDP**") for credit of my *securities account with CDP/Sub-Account with the Depository Agent/CPF investment account with my Agent Bank specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP in respect thereof.

ANNEXURE 1

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	:	_____

Note:

**Delete where inapplicable*

ANNEXURE 2

RULES OF THE PROPOSED VALUETRONICS PERFORMANCE SHARE PLAN 2017

1. NAME OF THE PERFORMANCE SHARE PLAN

This performance share plan shall be called the Valuetronics Performance Share Plan 2017.

2. DEFINITIONS

2.1 In the Valuetronics Performance Share Plan 2017, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"**Act**"	:	The Companies Act, Cap. 50, of Singapore, as amended from time to time
"**Articles**"	:	The Articles of Association of the Company
"**Auditors**"	:	The auditors of the Company for the time being
"**Award**"	:	A contingent award of Shares granted under the Valuetronics PSP 2017
"**Award Date**"	:	In relation to an Award, the date on which the Award is granted under the terms of the Valuetronics PSP 2017
"**Bermuda Companies Act**"	:	The Companies Act 1981 of Bermuda, as amended from time to time
"**Board**"	:	The board of directors of the Company as at the date of this Circular
"**Bye-Laws**"	:	The Bye-Laws of the Company, as amended, varied or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Committee**"	:	The Remuneration Committee, comprising Directors of the Company from time to time
"**Company**"	:	Valuetronics Holdings Limited
"**Controlling Shareholder**"	:	A Shareholder who: (a) holds directly or indirectly 15% or more of the total number of Shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is a controlling shareholder; or (b) in fact exercises control over the Company

"**CPF**"	:	The Central Provident Fund
"**Date of Grant**"	:	In relation to an Award, the date on which the Award is granted pursuant to rule 6 of the rules of the Valuetronics PSP 2017
"**Directors**"	:	A person holding office as a director for the time being of the Company or its Subsidiary, as the case may be
"**Executive Director**"	:	A director of the Company who performs an executive function
"**Group**"	:	The Company and its subsidiaries
"**Group Employee**"	:	A full-time confirmed employee of the Company, and/or any of its Subsidiaries, as the case may be, including any Executive Director and excluding any Controlling Shareholder and/or his Associate
"**Independent Director**"	:	An independent director of the Company and/or any of its Subsidiaries, as the case may be
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended from time to time
"**Listing Rules**"	:	The listing rules of the SGX-ST as set out in the Listing Manual
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Memorandum of Association**"	:	The Memorandum of Association of the Company, as amended, varied or supplemented from time to time
"**New Shares**"	:	The new Shares which may be allotted and issued from time to time pursuant to the exercise of Options under the Valuetronics ESOS 2017 and the release of Awards under the Valuetronics PSP 2017
"**Non-Executive Director**"	:	A director of the Company and/or any of its Subsidiaries, as the case may be, who performs a non-executive function
"**Option**"	:	The right to subscribe for Shares granted or to be granted pursuant to the Valuetronics ESOS 2017

"**Ordinary Resolution**"	:	A resolution which has been passed by a simple majority of the votes cast by such Shareholder, who, being entitled so to do, vote in person or where a corporate representative is allowed, by duly authorised corporate representative or, where proxies are allowed, by proxy, at a general meeting held in accordance with the Bye-Laws
"**PSP Participant**"	:	Any eligible person who is selected by the Committee to participate in the Valuetronics PSP 2017, in accordance with the rules of the Valuetronics PSP 2017
"**Securities Account**"	:	A securities account maintained by Depositors with CDP but not including a securities sub-account maintained with a Depository Agent
"**SFA**"	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, supplemented or modified from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares in the Register of Members maintained by the Company, except that where the registered holder is CDP, the term "**Shareholders**" shall, where the context admits, mean the Depositors in the Depository Register maintained by CDP and to whose Securities Accounts are credited with Shares
"**Shares**"	:	Issued and paid up ordinary shares of par value HK$0.10 each in the capital of the Company
"**Valuetronics ESOS 2017**"	:	The proposed Valuetronics Employee Share Option Scheme 2017
"**Valuetronics PSP 2017**"	:	The proposed Valuetronics Performance Share Plan 2017
"**Treasury Shares**"	:	Issued Shares of the Company which were purchased and held as treasury shares by the Company in accordance with the applicable provisions of the Act and the Bermuda Companies Act
"**%**"	:	Per centum or percentage

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**" and "**Subsidiary**" shall have the same meanings ascribed to them respectively in the Listing Manual and the Act.

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 in this Valuetronics PSP 2017 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 Bermuda Companies Act, the Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Valuetronics PSP 2017 shall, where applicable, have the same meaning ascribed to it under the Bermuda Companies Act, the Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day and to dates in this Valuetronics PSP 2017 shall be a reference to Singapore time and dates, unless otherwise stated.

The headings in this Valuetronics PSP 2017 are inserted for convenience only and shall be ignored in construing this Valuetronics PSP 2017.

3. OBJECTIVES OF THE VALUETRONICS PSP 2017

The Valuetronics PSP 2017 is a performance-based share plan. The Valuetronics PSP 2017 is currently targeted at executives in key positions who are able to drive the growth of the Company through innovation, creativity and superior performance. With the Valuetronics PSP 2017, the Company would be able to tailor share-based incentives.

The Valuetronics PSP 2017 will give PSP Participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

(a) to serve as an additional motivational tool to recruit and retain talented executives;

(b) to strengthen the Company's competitiveness in attracting and retaining superior talent;

(c) to motivate PSP Participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Company;

(d) to instill loyalty to, and a stronger identification by the PSP Participants with the long-term prosperity of the Company; and

(e) to foster an ownership culture within the Company by aligning the interests of the PSP Participants with the interests of the Shareholders.

4. ELIGIBILITY

4.1 Group Employees (including Executive Directors but excluding Controlling Shareholders and/or their Associates) and Non-Executive Directors (including Independent Directors) who hold such ranks as may be designated by the Committee from time to time, who have attained the age of twenty-one (21) years on the Date of Grant and are not undischarged bankrupts and have not entered into a composition with their respective creditors and who,

in the opinion of the Committee, have contributed or will contribute to the success of the Group shall be eligible to participate in the Valuetronics PSP 2017 at the absolute discretion of the Committee.

4.2 There will be no restriction on the eligibility of any PSP Participant to participate in any other share option or share incentive schemes implemented or to be implemented by the Company or by any other companies within the Group.

4.3 Subject to the Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Valuetronics PSP 2017 may be amended from time to time at the absolute discretion of the Committee, which would be exercised judiciously.

5. MAXIMUM ENTITLEMENT

Subject to rule 4 and rule 8, the selection of a PSP Participant and the aggregate number of Shares which are the subject of each Award to be granted to a PSP Participant in accordance with the Valuetronics PSP 2017 shall be determined at the sole and absolute discretion of the Committee, who shall take into account criteria such as *inter alia*, the PSP Participant's rank, job performance and potential for future development, his contribution to the success and development of the Group and the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period. The performance targets will be set by the Committee depending on each individual PSP Participant's job scope and responsibilities.

6. GRANT OF AWARDS

6.1 Subject to rule 8, the granting of Awards may be made by the Committee at any time during the period when the Valuetronics PSP 2017 is in force.

6.2 Awards represent the right of a PSP Participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, upon the PSP Participant achieving prescribed performance targets and/or service conditions or otherwise having performed well and/or made a significant contribution to the Group. Awards are vested and the Shares comprised in the Awards are issued at the end of the performance and/or service period once the Committee is, at its sole discretion, satisfied that the prescribed performance targets and/or service conditions have been achieved. The Committee may also grant an Award where in its opinion a PSP Participant's performance and/or contribution to the Group warrants it. Awards granted may be performance-based or time-based.

6.3 The Committee shall in its absolute discretion, decide, in relation to each Award to be granted to a PSP Participant:

(a) the date on which the Award is to be granted;

(b) the number of Shares or their Equivalent in Cash (based on the aggregate market value of the Shares which are the subject of the Award) or if a combination of both, the proportion between the Shares and the cash which are the subject of the Award;

(c) the prescribed performance targets and/or service conditions (including the performance periods during which the prescribed performance targets and/or service conditions are to be satisfied) and/or any other basis on which the Award is to be granted;

(d) the prescribed vesting periods which would generally be a period of one to two years following such time when the prescribed service conditions and/or performance targets are met;

(e) the extent to which Shares which are the subject of that Award shall be vested at the end of each prescribed vesting period or on the prescribed performance targets and/or service conditions, if any, being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be; and

(f) any other condition which the Committee may determine in relation to that Award.

6.4 The Committee may amend or waive all or part of the performance targets and/or service conditions of the performance period during which the prescribed performance targets and/or service conditions are to be satisfied in respect of any Award:

(a) if a take-over offer is made for the Shares or if, under the Act, 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 or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or

(b) if any event occurs or circumstances arise which causes the Committee to conclude that:

(i) a changed performance target(s) and/or service condition(s) would be a fairer measure of performance, and would be no less difficult to satisfy; or

(ii) the performance target(s) and/or service condition(s) should be waived,

the Committee shall as soon as practicable, notify the PSP Participants of such change or waiver.

6.5 The Committee will issue an Award letter confirming the Award and specifying *inter alia*, the vesting period, the prescribed performance target(s) and/or service condition(s), the performance period during which the prescribed performance target(s) and/or service condition(s) are to be attained or fulfilled and the schedule setting out the extent to which Shares will be released on satisfaction of the prescribed performance target(s) and/or service condition(s), to each PSP Participant as soon as is reasonably practicable after the making of an Award.

6.6 PSP Participants are not required to pay for the grant of the Awards.

6.7 An Award is personal to the PSP Participant to whom it is granted and it may not be transferred (other than to a PSP Participant's personal representatives on the death of the former) charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a PSP Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any such rights under an Award, that Award shall immediately lapse.

7. EVENTS PRIOR TO THE RELEASE OF AWARDS

7.1 The Awards to the extent not yet released shall immediately lapse in the following circumstances and the PSP Participant shall have no claim whatsoever against the Company:

(a) the termination of the employment of a PSP Participant;

(b) the misconduct of a PSP Participant as determined by the Committee in its absolute discretion;

(c) the retirement, ill-health, injury, disability or death of a PSP Participant;

(d) the bankruptcy of a PSP Participant or the occurrence of any other event which results in his being deprived of the legal or beneficial ownership of an Award;

(e) the PSP Participant, being a Director, ceasing to be a Director for any reason whatsoever;

(f) a winding-up of the Company; or

(g) any other event approved by the Committee.

Upon the occurrence of any of the events specified in paragraphs (c), (d), (e) and (g) above, the Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant vesting period. In exercising its discretion, the Committee will have regard to all relevant circumstances on a case-by-case basis, including (but not limited to) the contributions made by that PSP Participant and, in the case of performance-related Awards, the extent to which the applicable performance target(s) and/or service condition(s) have been satisfied.

8. SIZE AND DURATION

8.1 The total number of New Shares which may be issued pursuant to Awards granted under the Valuetronics PSP 2017, when added to the number of New Shares issued and issuable in respect of (a) all Awards granted under the Valuetronics PSP 2017; (b) all Options granted under the Valuetronics ESOS 2017; and (c) all options or awards granted under any other share option or share-based incentive schemes of the Company then in force, shall not exceed fifteen percent (15%) of the number of issued Shares (excluding Treasury Shares) of the Company on the day preceding the relevant date of the Award.

8.2 The Valuetronics PSP 2017 shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date on which the Valuetronics PSP 2017 is adopted by the Company in general meeting, provided always that the Valuetronics PSP 2017 may continue beyond the above stipulated period with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

8.3 The Valuetronics PSP 2017 may be terminated at any time at the discretion of the Committee, or by an Ordinary Resolution passed by the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Valuetronics PSP 2017 is so terminated, no additional Awards shall be offered by the Company hereunder.

8.4 Notwithstanding the expiry or termination of the Valuetronics PSP 2017, any Awards made to PSP Participants prior to such expiry or termination will continue to remain valid.

9. RELEASE OF AWARDS

9.1 As soon as reasonably practicable after the end of each performance period, the Committee shall review the performance target(s) specified in respect of that Award and determine whether they have been satisfied and, if so, the extent to which they have been satisfied (whether fully or partially) and subject to rule 7, shall release to that PSP Participant the Shares to which that Award relates on the Release Date.

For the purpose of this rule 9, "**Release Date**" means, in relation to an Award which is the subject of release, the date (as determined by the Committee) on which payment of such Award is made or effected.

The Committee shall have the discretion to determine whether the performance target(s) has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make reference to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the performance target(s) if the Committee decides that a changed performance target would be a fairer measure of performance.

9.2 Subject to the prevailing legislation and the Listing Rules, the Company shall, on the Release Date, do any one or more of the following as it deems fit in its sole and absolute discretion:

(a) allot and issue the relevant Shares to the PSP Participant, and apply to the SGX-ST, for permission to deal in and for quotation of such Shares; and/or

(b) deliver existing Shares to the PSP Participant, whether such existing Shares are acquired pursuant to a share purchase mandate or (to the extent permitted by law) held as Treasury Shares; and/or

(c) subject to the prior approval of the Committee and at the Committee's absolute discretion, pay the Equivalent Value in Cash (after deduction of any applicable taxes) to the PSP Participant.

For the purpose of this rule 9.2:

"**Equivalent Value in Cash**" to be paid to a PSP Participant in lieu of the Shares to be issued or delivered upon vesting of an Award, shall be calculated in accordance with the following formula:

A = B x C

Where:

"**A**" is the Equivalent Value in Cash to be paid to the PSP Participant in lieu of all or some of the Shares to be issued or delivered upon the vesting of an Award;

"**B**" is equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the first five (5) Market Days on which there were transactions done for the Shares on the SGX-ST immediately preceding the Release Date in accordance with the rules of the Valuetronics PSP 2017; and

"**C**" is such number of Shares (as determined by the Committee in its sole and absolute discretion) in respect of which cash will be paid to a PSP Participant in lieu of Shares to be issued or delivered to the PSP Participant upon the vesting of an Award in accordance with the rules of the Valuetronics PSP 2017.

9.3 In respect of rules 9.2(a) and 9.2(b), Shares which are allotted or delivered on the release of an Award shall be issued or registered (as the case may be) in the name of CDP to the credit of the Securities Account of that PSP Participant maintained with CDP, the securities sub-account of that PSP Participant maintained with a Depository Agent or the CPF investment account maintained with a CPF agent bank (if relevant).

9.4 New Shares allotted and issued, and existing Shares procured by the Company for transfer, on the release of an Award shall:

(a) be subject to all the provisions of the Articles and the Memorandum of Association of the Company; and

(b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Release Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue, except that in the case of an existing Share, it may not carry certain dividend or other rights if that existing Share was acquired for the purpose of the Valuetronics PSP 2017 excluding those dividend or other rights.

"**Record Date**" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

9.5 New Shares or existing Shares that are allotted or delivered pursuant to the release of an Award, shall be issued in the name of or (as the case may be) be delivered to CDP for credit of the PSP Participant's direct Securities Account maintained by the PSP Participant with CDP or a securities sub-account maintained by the PSP Participant with a Depository Agent, as notified by the PSP Participant to the Committee.

9.6 Shares which are allotted or transferred pursuant to the release of an Award will not (save as otherwise provided by the Listing Rules or applicable laws) be subjected to any restriction against disposal, or sale or otherwise by the PSP Participant.

10. ADJUSTMENTS AND ALTERATIONS

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

(a) the class and/or number of Shares which are the subject of Awards to the extent not yet vested; and/or

(b) the class and/or number of Shares in respect which future Awards may be granted under the Valuetronics PSP 2017,

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

10.2 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 or a private placement of securities;

(b) cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (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 or any of its Subsidiaries pursuant to purchase or option schemes approved by Shareholders in general meeting, including the Valuetronics PSP 2017;

(d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any such 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;

(f) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; or

(g) upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants.

10.3 Notwithstanding the provisions of rule 10.1:

(a) no adjustment shall be made if:

(i) as a result the PSP Participant receives a benefit that a Shareholder does not receive; or

(ii) such adjustment will result in the number of Shares comprised in an Award, together with New Shares to be issued or issuable under the Valuetronics PSP

2017, the Valuetronics ESOS 2017, and/or any other share option or share-based incentive schemes of the Company to exceed fifteen percent (15%) of the total number of issued Shares (excluding Treasury Shares) of the Company for the time being; 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.

10.4 Upon any adjustment required to be made pursuant to this rule 10, the Company shall notify the PSP Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or delivered on the vesting of an Award. Any adjustment shall take effect upon such written notification being given.

10.5 Subject to the rules of the Valuetronics PSP 2017, the Valuetronics PSP 2017 may be modified and/or altered at any time and from time to time by a resolution of the Committee provided that:

(a) no modification or alteration shall be made without the prior approval of the SGX-ST, and such other regulatory authorities as may be required;

(b) no modification or alteration shall be made which would adversely affect the rights attaching to any Awards granted prior to such modification or alteration. If the modification or alteration would adversely affect the rights attaching to any Awards granted prior to such modification or alteration, consent in writing must be obtained from such number of PSP Participants under the Valuetronics PSP 2017 who, if their Awards were released to them, would thereby become entitled to Shares representing not less than three-quarters of the total voting rights (or such other requirement as prescribed by the SGX-ST) of the total votes attached to all the voting rights of all the Shares which would be issued in full for all the outstanding Awards under the Valuetronics PSP 2017; and

(c) no alteration shall be made to the advantage of the holders of the Awards, except with the prior approval of the Shareholders in general meeting.

Written notice of any modification or alteration made in accordance with this rule 10.5 shall be given to all PSP Participants provided that any omission to give notice to any PSP Participants shall not invalidate any such amendment.

Notwithstanding anything herein to the contrary, the Committee may at any time by resolution (and without other formality save for the prior approval of the SGX-ST and such other regulatory authorities as may be necessary) amend or alter the Valuetronics PSP 2017 in any way to the extent necessary to cause the Valuetronics PSP 2017 to comply with any statutory provision or the requirements of any regulatory or other relevant authority or body.

11. TAKE-OVER AND WINDING UP

11.1 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, subject to any legal or regulatory requirements, each PSP Participant who has fulfilled his performance target shall be entitled, notwithstanding the provisions herein and the fact that the vesting period for such Award has not expired but subject to rule 11.4, to any Shares under the Awards so determined by the Committee to be released to him 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 sixty (60) days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.

11.2 If an order or an effective resolution is made for the winding up of the Company on the basis of its insolvency, all Awards, notwithstanding that they may have been so vested, shall be deemed or become null and void.

11.3 In the event of a members' voluntary winding up of the Company (other than for amalgamation or reconstruction), the Awards shall so vest in the PSP Participant for so long as, in the absolute determination by the Committee, the PSP Participant has met the performance targets prior to the date that the members' voluntary winding up shall be deemed to have been commenced or effective in law; provided that any Awards not released or vested (as the case may be) prior to the commencement of the voluntary winding up of the Company shall, upon commencement of such winding up, be null and void.

11.4 If in connection with the making of a take-over offer or the scheme referred to in rule 11.1 or the winding up referred to in rule 11.3, 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 PSP Participants, whether by the payment of cash or by any other form of benefit, no release of Shares under the Award shall be made in such circumstances.

12. ADMINISTRATION

12.1 The Valuetronics PSP 2017 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board provided that a member of the Committee who is a PSP Participant shall not be involved in the deliberations of the Committee in respect of the Awards to be granted to him in compliance with the requirements of the Listing Manual. As a safeguard against abuse, where Awards are proposed to be granted to or held by Executive Directors (excluding Controlling Shareholders and/or their Associates), all members of the Board of the Company (and not just members of the Committee) who are not Executive Directors or Controlling Shareholders, will be involved in deliberations on the same.

12.2 The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the Valuetronics PSP 2017) for the implementation and administration of the Valuetronics PSP 2017 as they think fit.

12.3 Any decision of the Committee, made pursuant to any provision of the Valuetronics PSP 2017 (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to interpretation of the Valuetronics PSP 2017 or any rule, regulation or procedure thereunder or as to any rights under the Valuetronics PSP 2017).

13. TERMS OF APPOINTMENT OR EMPLOYMENT UNAFFECTED

13.1 The Valuetronics PSP 2017 or any Award shall not form part of any contract of employment between the Company or any Subsidiary and any PSP 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 Valuetronics PSP 2017 or any right which he may have to participate in it or any Award which he may hold and the Valuetronics PSP 2017 or any Award 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.

13.2 The Valuetronics PSP 2017 shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any Subsidiary directly or indirectly or give rise to any cause of action at law or in equity against the Company and/or any of its Subsidiaries.

14. NOTICES

14.1 Any notice required to be given by a PSP Participant to the Company shall be sent or made to the registered office of the Company or such other address as may be notified by the Company to him in writing.

14.2 Any notices or documents required to be given to a PSP Participant or any correspondence to be made between the Company and the PSP Participant shall be given or made by the Committee (or such person or persons as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address according to the records of the Company and if sent by post, shall be deemed to have been given on the day following the date of posting.

15. TAXES

All taxes (including income tax) arising from the exercise of any Awards granted to any PSP Participants under the Valuetronics PSP 2017 shall be borne by the PSP Participants.

16. COSTS AND EXPENSES

16.1 Each PSP Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or delivery of any Shares pursuant to the release of any Awards in CDP's name, the deposit of share certificate(s) with CDP, the PSP Participant's Securities Account with CDP, or the PSP Participant's securities sub-account with a CDP Depository Agent or CPF investment account with a CPF agent bank and all taxes referred to in rule 14 which shall be payable by the relevant PSP Participant.

16.2 Save for the taxes referred to in rule 15 and such other costs and expenses expressly provided in the Valuetronics PSP 2017 to be payable by the PSP Participants, all fees, costs and expenses incurred by the Company in relation to the Valuetronics PSP 2017 including, but not limited to, the fees, costs and expenses relating to the allotment and issue or delivery of Shares pursuant to the release of any Award shall be borne by the Company.

17. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained and subject to the Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the Valuetronics PSP 2017 including but not limited to, the Company's delay in the allotment and issue or the delivery of the Shares or its application for or the procurement of the listing of the Shares on the SGX-ST.

18. 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.

19. DISCLOSURES IN ANNUAL REPORT

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Valuetronics PSP 2017 continues in operation and as from time to time required by the Listing Manual:

(a) The names of the members of the Committee;

(b) In respect of the following participants:

(i) participants who are Directors; and

(ii) participants, other than those in (i) above, who have been granted Options under the Valuetronics ESOS 2017 and/or who have received Shares pursuant to Awards granted under the Valuetronics PSP 2017 which, in aggregate, represent 5% or more of the aggregate of:

(1) the total number of New Shares available under the Valuetronics PSP 2017 and the Valuetronics ESOS 2017 collectively; and

(2) the total number of existing Shares purchased for delivery of Shares pursuant to the exercise of Options under the Valuetronics ESOS 2017 and Awards released under the Valuetronics PSP 2017,

the following information:

(aa) the name of the participant;

(bb) the following particulars relating to Options granted under the Valuetronics ESOS 2017:

(i) the aggregate Options granted during the financial year under review;

(ii) the aggregate number of Shares arising from Options exercised in the Valuetronics ESOS 2017 to the end of the financial year under review; and

(iii) the aggregate number of Shares comprised in Options outstanding as at the end of the financial year under review;

(cc) the following particulars relating to Awards released under the Valuetronics PSP 2017:

(i) the number of New Shares issued to such PSP Participant during the financial year under review;

(ii) the number of existing Shares transferred to such PSP Participant during the financial year under review;

(iii) the number of New Shares issued to such PSP Participant since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review; and

(iv) the number of existing Shares transferred to such PSP Participant since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review;

(c) in relation to the Valuetronics PSP 2017, the following particulars:

(i) the aggregate number of Shares comprised in Awards granted since the commencement of the Valuetronics PSP 2017 to the end of the financial year under review;

(ii) the aggregate number of Shares comprised in Awards which have vested during the financial year under review and in respect of such Awards, the proportion of:–

(1) New Shares issued; and

(2) existing Shares purchased, including the range of prices at which such Shares have been purchased,

upon the release of the vested Awards; and

(iii) the aggregate number of Shares comprised in Awards which have not been released as at the end of the financial year under review.

20. GOVERNING LAW

The Valuetronics PSP 2017 shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The PSP Participants, by accepting Awards in accordance with the Valuetronics PSP 2017 and the Company, submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

21. EXCLUSION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Company or a PSP Participant shall have any right to enforce any provision of the Valuetronics PSP 2017 or any Award by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore.

ANNEXURE 3

PROPOSED AMENDMENT OF THE BYE-LAWS OF THE COMPANY

Bye-Laws

1. (A) "depositor", "Depository" and "Depository Register" shall have meanings ascribed to them respectively in the ~~Singapore Companies Act~~ Securities and Futures Act;

   "Financial Statements" refer to the financial statements which are to be laid before a general meeting of the Company, made up to the end of the applicable financial year and including all documents and information as required by the Companies Act and the rules or regulations of the Designated Stock Exchange.

3. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) and any preference share may, subject to the Companies Act and the rules or regulations of the Designated Stock Exchange for so long as the shares of the Company are listed on the Designated Stock Exchange ~~and with the sanction of a Special Resolution~~, be issued on the terms that it is liable to be redeemed upon the happening of a specified event or upon a given date and either at the option of the Company or, if so authorised by the Memorandum of Association of the Company, at the option of the holder.

6. (E) The rights attaching to shares of a class other than ordinary shares shall be expressed in these Bye-Laws.

7. (C) Subject to the provisions of these Bye-Laws, any shares of the Company held as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares, provided always that such acquisition is effected in accordance with the provisions of the Companies Act increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such class or classes and of such amounts in Hong Kong dollars, Singapore dollars or United States dollars or such other currency as the shareholders may think fit and as the resolution may prescribe. When permitted by the Statutes, expenses (including commission or brokerage) incurred in the issue of new shares and paid out of the Company's share capital shall not be taken as reducing the amount of share capital of the Company.

62. (B) The Company may by Special Resolution in accordance with the Companies Act reduce its share capital, any capital redemption reserve fund or any share premium account or other undistributable reserve in any manner authorised and subject to any conditions prescribed by law. For clarity, a reduction of the capital redemption reserve fund or any share premium account or other undistributable reserve does not amount to a reduction of the Company's share capital under the Companies Act if such reduction does not result in a corresponding reduction of its share capital as a whole and accordingly, the provisions of the Companies Act and these Bye-Laws applicable to a reduction of share capital shall not apply.

63. (A) For so long as the shares of the Company are listed or admitted for trading on a Designated Stock Exchange, t~~T~~he Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; ~~and not more than fifteen (15) months shall elapse between the date of one annual general meeting of the Company and that of the next~~ within such period that would not infringe the Statutes and/or rules or regulations of the Designated Stock Exchange, if any. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. Notwithstanding the foregoing, for so long as the shares of the Company are listed or admitted for trading on a Designated Stock Exchange, all general meetings shall be held in Singapore, unless prohibited by law. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. Where the shares of the Company are no longer listed on the Designated Stock Exchange, the Company need not hold any annual general meeting if the holding of the annual general meeting is dispensed with in accordance with the Statutes.

73. (A) If required by the rules or regulations of any Designated Stock Exchange, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by such Designated Stock Exchange).

(B) Subject to Bye-Law 73(A), a~~A~~t any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

(i) by the Chairman of the meeting; or

(ii) by at least three (3) shareholders present in person or by duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or

(iii) by any shareholder or shareholders present in person or by duly authorised corporate representative or by proxy and representing not less than one-tenth (1/10) of the total voting rights of all the shareholders having the right to vote at the meeting; or

(iv) by any shareholder or shareholders present in person or by duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10) of the total sum paid up on all the shares conferring that right.

Unless a poll is required by the rules or regulations of the Designated Stock Exchange (if applicable) or be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

74. ~~If a poll is demanded as aforesaid~~ Where a poll is taken, it shall (subject as provided in Bye-Law 76) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking hands of the poll, whichever is the earlier.

85. Provided that if the shareholder is the Depository:

(A) the Depository may appoint more than two (2) proxies or a corporate representative to attend and vote at the same general meeting, notwithstanding Bye-law 84;

(B) the Company shall be entitled and bound:–

(i) to reject any instrument of proxy lodged if the proxy first named in that instrument, being the Depositor, is not shown, in the records of the Depository as at a time not earlier than ~~forty-eight (48)~~ seventy-two (72) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, to have any shares credited to a securities account;

(ii) to accept as the maximum number of votes which in aggregate all the proxies appointed by the Depository in respect of a particular Depositor are able to cast on a poll a number which is the number of shares credited to the securities account of that Depositor, as shown in the records of the Depository as at a time not earlier than ~~forty-eight (48)~~ seventy-two (72) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of the Depository; and

(iii) the Company shall accept as valid in all respects the form of proxy approved by the Depository (the "CDP Proxy Form") for use at the date relevant to the general meeting in question notwithstanding that the same permits the Depositor concerned to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository (the "Nominating Depositor"). The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, to have regard to the instructions given by and the notes (if any) set out in the CDP Proxy Form.

87. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, ~~either under seal or~~ under the hand of an officer or attorney duly authorised.

88. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one (1) of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office) not less than seventy-two (72) ~~forty-eight (48)~~ hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of

twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in a case where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

94. All Directors shall be natural persons. The number of Directors shall ~~not be less than two (2)~~ be at least one (1). The Company shall keep at the Registered Office a register of its Directors and officers in accordance with the Statutes.

104. Every Director shall retire from office once every three years and for this purpose, at each annual general meeting one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3) but not less than one-third (1/3) shall retire from office by rotation. The Directors to retire in every year will be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. Subject to the Statutes, a retiring Director shall be eligible for re-election at the meeting at which he retires. For avoidance of doubt, each Director shall retire at least once every three (3) years. Where the shares of the Company are no longer listed on the Designated Stock Exchange, the Board need not retire at the next annual general meeting of the Company if the holding of annual general meetings is dispensed with in accordance with the Statutes.

104. (A) For so long as the shares of the Company are listed on the Designated Stock Exchange, where a Director is disqualified from acting as a director in any jurisdiction for reasons other than technical grounds, he must immediately resign from the Board.

167. (A) The Board shall from time to time cause to be prepared, kept and laid before the Company at its annual general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes for five (5) years from the date on which they were prepared (or such other period as may be required under the Statutes). The interval between the close of a financial year of the Company and the date of the Company's annual general meeting shall not exceed four (4) months, or such other period as may be prescribed by the Designated Stock Exchange.

172. (A) Any notice or document to be given or issued under these Bye-Laws shall be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered addressed as aforesaid or (if he has no registered address within Singapore) at any other address within Singapore supplied by him to the Company for the purpose (in the case of a notice) by advertisement in the Newspapers or in accordance with the requirements of the Designated Stock Exchange or by way of announcement on any Designated Stock Exchange, in each case to the extent permitted by the Statutes and the rules or regulations of a Designated Stock Exchange (for so long as the shares of the Company are listed on such Designated Stock Exchange). In the case of joint holders of a share, all notices and documents shall be given to the joint holder whose name stands first in the register and notice and documents so given shall be sufficient notice to all the joint holders. For such purpose, a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded.

(B) Without prejudice to the provisions of Bye-Law 172(A), but subject otherwise to the applicable Statutes and the rules or regulations of a Designated Stock Exchange (where applicable) relating to electronic communication, any notice or document (including without limitation the Financial Statements) may be given, sent or served:–

(i) by transmitting it by electronic means (including facsimile and electronic mail) to any such address or number supplied by the shareholder to the Company for the giving of notice to him; or

(ii) by making it available on a website prescribed by the Company from time to time,

unless otherwise provided under any applicable Statutes and the rules or regulations of the Designated Stock Exchange (if applicable).

(C) For the purposes of Bye-Law 172(B), it shall be deemed that a shareholder has given implied consent to receive such notice or document by way of such electronic communication and shall not have a right to elect to receive a physical copy of such notice or document, unless provided under any other applicable Statutes or the rules or regulations of the Designated Stock Exchange.

(D) Where a notice or document is given, sent or served to a shareholder by making it available on a website pursuant to Bye-Law 172(B), the Company shall give separate notice to that shareholder of the publication of the notice or document on that website and the matter in which the notice or document may be accessed by any one (1) or more of the following means:

(i) by sending such separate notice to that shareholder personally or through the post pursuant to Bye-Law 173(A); or

(ii) by sending such separate notice to that shareholder using electronic communication to his current address pursuant to Bye-Law 173(B)(ii);

(iii) by way of advertisement in the daily press; and/or

(iv) by way of announcement on any Designated Stock Exchange.

~~(B)~~(E) A shareholder who (having no registered address within Singapore) has not supplied to the Company an address within Singapore for the service of notices shall not be entitled to receive notices or any other documents from the Company.

174. (A) Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within the Relevant Territory and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof.

174. (B) Where a notice or document is given, sent or served by electronic communication:

(i) to the current address of a person pursuant to Bye-Law 172(A), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent); and

(ii) by making it available on a website pursuant to Bye-Law 172(D), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website,

unless otherwise provided under the rules or regulations of the Designated Stock Exchange (if applicable).

188. (A) For so long as the shares of the Company are listed on the Designated Stock Exchange, e~~E~~ach Director shall, upon his appointment to the Board, and the Chief Executive Officer of the Company (if he is not a Director) shall, upon his appointment, give an undertaking to the Company that, for so long as he remains a Director or the Chief Executive Officer (as the case may be), he shall forthwith notify the Secretary of the particulars of the shares beneficially owned by him at the time of his appointment and of any change in such particulars and comply with his obligations under Part VII (Disclosure of Interests) of the Securities and Futures Act.

(B) For so long as the shares of the Company are listed on the Designated Stock Exchange, each shareholder shall comply with its obligations under Part VII (Disclosure of Interests) of the Securities and Futures Act~~, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (a) the particulars of the shares beneficially owned by him, or (b) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred) or (c) the particulars of the date and circumstances of the cessation of substantial shareholding, (b) the date of change in interests, or (c) the date of cessation, as the case may be. For the purposes of this Bye-law, the term "substantial shareholder" shall have the same meaning ascribed to it in Sections 81(1) and 81(2) of the Singapore Companies Act and the term "interest" or "interests" shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act~~.

(C) For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of ~~Section 92 of the Singapore Companies Act~~ the Securities and Futures Act shall apply.

VALUETRONICS HOLDINGS LIMITED

(Incorporated in Bermuda on 18 August 2006)
(Company Registration Number: 38813)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of the members of the Company will be held on 24 July 2017, at Level 3, Venus Room I & II, Furama RiverFront, Singapore, 405 Havelock Road, Singapore 169633 at 10.30 a.m. (or immediately after the conclusion or adjournment of the Annual General Meeting to be held at 9.30 a.m. 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 following resolution(s):

Unless otherwise defined, all capitalized terms herein shall have the same meanings as defined in the circular to shareholders of the Company dated 30 June 2017 (the "Circular").

SPECIAL RESOLUTION: PROPOSED AMENDMENTS TO BYE-LAWS

It is RESOLVED that, approval be and is hereby given to the Company for the following actions:

(a) The amended Bye-Laws of the Company as set out in Annexure 3 to this Circular, be and are hereby approved and adopted as the Bye-Laws of the Company in substitution for and to the exclusion of the existing Bye-Laws of the Company; and

(b) The Directors of the Company and/or any of them be and are hereby authorized 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 Special Resolution.

ORDINARY RESOLUTIONS

Resolution 1: The proposed adoption of the employee share option scheme to be named "The Valuetronics Employee Share Option Scheme 2017" (the "Valuetronics ESOS 2017")

It is RESOLVED that, approval be and is hereby given to the Company for the following actions:

(a) The Valuetronics ESOS 2017, details of which have been set out in this Circular, be and is hereby approved and adopted;

(b) the Directors of the Company be and are hereby authorised:

  (i) to establish and administer the Valuetronics ESOS 2017;

  (ii) to modify and/or amend the Valuetronics ESOS 2017 from time to time provided that such modifications and/or amendments are effected in accordance with the rules of the Valuetronics ESOS 2017;

(iii) to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Valuetronics ESOS 2017;

(iv) to grant Options in accordance with the rules of the Valuetronics ESOS 2017 and to allot and issue or deliver from time to time such number of New Shares or Treasury Shares required pursuant to the exercise of the Options under the Valuetronics ESOS 2017; and

(v) to complete and do all such acts and things, and to approve, execute and deliver on behalf of the Company all such documents as they may consider necessary, desirable, expedient or appropriate for the purposes of or to give effect to this Resolution and the Valuetronics ESOS 2017 as they think fit and in their absolute discretion.

Resolution 2: The proposed grant of Options at a discount under the Valuetronics ESOS 2017

It is RESOLVED that, subject to and contingent upon Resolution 1 being passed, the Directors be and are hereby authorised to grant Options in accordance with the rules of the Valuetronics ESOS 2017 with exercise prices set at a discount to the Market Price, provided always that such discount does not exceed 20% and the exercise price per Share issued under the Options does not fall below the nominal value of HK$0.10 per Share.

Resolution 3: The proposed adoption of the performance share plan to be named "The Valuetronics Performance Share Plan 2017" (the "Valuetronics PSP 2017")

It is RESOLVED that, approval be and is hereby given to the Company for the following actions:

(a) The Valuetronics PSP 2017 be and is hereby approved and adopted;

(b) The Directors of the Company be and are hereby authorised:

(i) to establish and administer the Valuetronics PSP 2017;

(ii) to modify and/or amend the Valuetronics PSP 2017 from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the Valuetronics PSP 2017 and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Valuetronics PSP 2017;

(iii) to grant Award(s) in accordance with the rules of the Valuetronics PSP 2017 and to allot and issue from time to time such number of New Shares as may be required to be issued pursuant to the vesting of the Award(s) under the Valuetronics PSP 2017; and

(iv) to complete and do all such acts and things, and to approve, execute and deliver on behalf of the Company all such documents as they may consider necessary, desirable, expedient or appropriate for the purposes of or to give effect to this Resolution and the Valuetronics PSP 2017 as they think fit and in their absolute discretion.

BY ORDER OF THE BOARD

Tse Chong Hing
Chairman and Managing Director
30 June 2017

Notes:

(1) Terms and expressions not defined herein shall have the same meanings ascribed to them in the Circular to Shareholders dated 30 June 2017.

(2) With the exception of CDP (which may appoint more than two (2) proxies), a member of the Company who is entitled to attend and vote at the SGM and who is the holder of two (2) or more Shares is entitled to appoint no more than two (2) proxies to attend the meeting and vote in his stead. A proxy need not be a member of the Company.

(3) All Depositor Proxy Forms must be lodged at the office of the Company's Singapore Share Transfer Agent, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not less than forty-eight (48) hours before the time appointed for holding the SGM in order for the proxy to be entitled to attend and vote at the SGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Special General Meeting 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 or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the Special General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Special General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable 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 or service providers), 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 or service providers) 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.