

**SUTL ENTERPRISE LIMITED**  
(Company No: 199307251M)  
(Incorporated in the Republic of Singapore)

Directors:

Lew Syn Pau, *Chairman (Non-Executive) and Independent Director*  
Tay Teng Guan Arthur, *Executive Director and Chief Executive Officer*  
Tay Teng Hock, *Non-Executive Director*  
Chan Kum Tao, *Non-Executive Director*  
Yeo Wee Kiong, *Independent Director*

Registered Office

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100J Pasir Panjang  
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Singapore 118525

6 April 2021

To: The Shareholders of SUTL Enterprise Limited

Dear Sir/Madam

**ADDENDUM RELATING TO:**

- (1) **THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE;**
- (2) **THE PROPOSED ALTERATION AND EXTENSION OF THE SHARE OPTION SCHEME 2011 ("OPTION SCHEME");**
- (3) **THE PROPOSED GRANT OF AUTHORITY TO OFFER AND GRANT OPTIONS AT A DISCOUNT UNDER THE OPTION SCHEME;**
- (4) **THE PROPOSED PARTICIPATION OF CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE OPTION SCHEME;**
- (5) **THE PROPOSED GRANT OF OPTIONS TO MR TAY TENG GUAN ARTHUR, A CONTROLLING SHAREHOLDER, AND MR TAY TENG HOCK, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER; AND**
- (6) **THE PROPOSED CHANGE OF AUDITOR FROM ERNST & YOUNG LLP TO RSM CHIO LIM LLP.**

**1. INTRODUCTION**

- 1.1. SUTL Enterprise Limited (the "**Company**") has on 6 April 2021 issued a Notice convening the Twenty-Seventh Annual General Meeting of the shareholders of the Company (the "**Shareholders**") to be held by electronic means on 28 April 2021 (the "**Twenty-Seventh AGM**").
- 1.2. The proposed Resolution 8 in the Notice of the Twenty-Seventh AGM relates to the proposed renewal of a general mandate (the "**Share Purchase Mandate**") to authorise the directors of the Company (the "**Directors**") to make purchases of ordinary shares in the capital of the Company (the "**Shares**") representing up to a maximum of ten (10) per cent. of the total number of issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings (as defined in the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**")<sup>1</sup>) as at the date on which the resolution authorising the same is passed, unless the Company has effected a reduction of the share

<sup>1</sup> "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50.

capital of the Company in which event the number of issued ordinary shares of the Company shall be taken to be the number of the issued ordinary shares of the Company as altered (excluding any Shares held as treasury shares or which comprise subsidiary holdings), at a price of up to but not exceeding the Maximum Price (as defined in Section 2.1 below), in accordance with the "Guidelines on Share Purchases" as set out in Appendix B hereto (the "**Guidelines on Share Purchases**"). Details pertaining to the Share Purchase Mandate are set out in Section 2 below.

- 1.3. The proposed Resolution 9 in the Notice of the Twenty-Seventh AGM relates to the proposed alteration and extension of the Share Option Scheme 2011 (the "**Option Scheme**"), which was first approved by Shareholders at the extraordinary general meeting of the Company held on 29 April 2011. Details pertaining to the Option Scheme are set out in Section 3 below.
- 1.4. The proposed Resolution 10 in the Notice of the Twenty-Seventh AGM relates to the proposed grant of authority to offer and grant Options (as defined in the rules of the Option Scheme set out in Appendix A) at a discount under the Option Scheme. Details pertaining to this Resolution 10 are set out in Section 4 below;
- 1.5. The proposed Resolutions 11 and 13 in the Notice of the Twenty-Seventh AGM relates to the proposed participation of controlling shareholders and their associates in the Option Scheme. Details pertaining to these Resolutions 11 and 13 are set out in Section 5 below;
- 1.6. The proposed Resolutions 12 and 14 in the Notice of the Twenty-Seventh AGM relate to the proposed grant of Options pursuant to the Option Scheme, as may be amended or modified from time to time, to Mr Tay Teng Guan Arthur (Chief Executive Officer and executive Director of the Company), and Mr Tay Teng Hock (non-executive Director of the Company). Mr Tay Teng Guan Arthur is considered a controlling shareholder of the Company, and Mr Tay Teng Hock is a sibling of Mr Tay Teng Guan Arthur, and is therefore considered to be an associate of Mr Tay Teng Guan Arthur. Details pertaining to these Resolutions 12 and 14 are set out in Sections 6.1 and 6.2 below.
- 1.7. The proposed Resolution 6 in the Notice of the Twenty-Seventh AGM relates to the proposed change of auditor of the Company (the "**Auditor**") from Ernst & Young LLP to RSM Chio Lim LLP. Details pertaining to the change of Auditor are set out in Section 8 below.
- 1.8. The Directors wish to highlight the following:
  - (a) Resolution 10 in the Notice of the Twenty-Seventh AGM, which relates to the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, is conditional upon the passing of Resolution 9. This means that if Resolution 9 is not approved, Resolution 10 would not be passed;
  - (b) Resolutions 11 and 13 in the Notice of the Twenty-Seventh AGM, which relate to the proposed participation of controlling shareholders and their associates in the Option Scheme, is conditional upon the passing of Resolution 9. This means that if Resolution 9 is not approved, Resolutions 11 and 13 would not be passed;
  - (c) Resolution 12 in the Notice of the Twenty-Seventh AGM, which relates to the proposed grant of Options pursuant to the Option Scheme to Mr Tay Teng Guan Arthur, is conditional upon the passing of Resolutions 9 and 11. This means that if Resolutions 9 and 11 are not approved, Resolution 12 would not be passed; and
  - (d) Resolution 14 in the Notice of the Twenty-Seventh AGM, which relates to the proposed grant of Options pursuant to the Option Scheme to Mr Tay Teng Hock, is conditional upon the passing of Resolutions 9 and 13. This means that if Resolutions 9 and 13 are not approved, Resolution 14 would not be passed.
- 1.9. The purpose of this Addendum is to provide information relating to and to explain the rationale for the proposed renewal of the Share Purchase Mandate, the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at

a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, the proposed grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock, and the proposed change of Auditor.

- 1.10. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Addendum. If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.
- 1.11. SGX-ST had on 5 April 2021 approved in-principle the application for the listing and quotation of the new Shares to be issued in connection with the Option Scheme, subject to the independent Shareholders' approval for the Option Scheme and the Company's compliance with the SGX-ST's listing requirements and guidelines. Such in-principal approval is not to be taken as an indication of the merits of the Option Scheme, the new Shares, the Company and/or its subsidiaries.
- 1.12. Lee & Lee is the legal adviser to the Company as to Singapore law in relation to the proposed renewal of the Share Purchase Mandate, the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, the proposed grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock, and the proposed change of Auditor.

## 2. PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

### 2.1. Authority and Limits of the Share Purchase Mandate

The Share Purchase Mandate, when granted, will authorise the Directors, from time to time, to purchase Shares either through market purchases (the "**Market Purchases**") or off-market purchases on an equal access scheme as defined in Section 76C of the Companies Act (the "**Off-Market Purchases**") of up to a maximum of ten (10) per cent. of the total number of issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings) as at the date on which the resolution authorising the same is passed, unless the Company has effected a reduction of the share capital of the Company in which event the number of issued ordinary shares of the Company shall be taken to be the number of the issued ordinary shares of the Company as altered (excluding any Shares held as treasury shares or which comprise subsidiary holdings), and at a price up to but not exceeding the Maximum Price as defined below.

The purchase price (excluding ancillary expenses such as related brokerage, goods and services tax, stamp duties and clearance fees) to be paid for the Shares shall be determined by the Directors, provided that such price must not exceed the maximum price (the "**Maximum Price**") of five (5) per cent. above the average of the closing market prices of the Shares over the last five (5) market days on which transactions in the Shares were recorded, before the day on which the Market Purchase was made by the Company or the day on which the Company makes an announcement of an offer under the Off-Market Purchase scheme (as the case may be), and deemed to be adjusted for any corporate action that occurs during the relevant period of five (5) market days and the day on which the purchases are made.

The Share Purchase Mandate will expire at the earliest of:

- (a) the date on which the next annual general meeting of the Company is or is required by law to be held, whichever is the earlier;
- (b) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent authorised under the Share Purchase Mandate; or
- (c) the effective date on which the authority conferred in the Share Purchase Mandate is

varied (as to the duration of the Share Purchase Mandate) or revoked by the Shareholders in general meeting.

## 2.2. Rationale for the Share Purchase Mandate

The Share Purchase Mandate will give the Directors the flexibility to purchase Shares when circumstances permit, with the objective of enhancing the earnings per share and/or net asset value per share of the Company and its subsidiaries (collectively, the "**Group**"). Such flexibility will also allow the Directors to better manage the Company's capital structure, dividend payout and cash reserves, and to return surplus cash over and above its capital requirements in an expedient and cost-effective manner.

The Share Purchase Mandate will thus provide the Company with an efficient mechanism to enhance returns to Shareholders when circumstances permit. Share purchases will only be effected when the Directors are of the view that such Share purchases will benefit the Company and its Shareholders.

## 2.3. Source of Funds

The Company may only apply funds for the purchase of Shares as provided in the constitution of the Company (the "**Constitution**"), the Guidelines on Share Purchases and in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with SGX-ST's trading rules. The Company intends to use its internal sources of funds to finance its purchase or acquisition of Shares. The Company does not intend to obtain or incur any borrowings to finance the purchase of its Shares.

The Company may purchase or acquire its Shares out of the Company's capital or distributable profits so long as the Company is solvent. For this purpose, pursuant to the Companies Act, a company is solvent if at the date of payment the following conditions are satisfied:

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

## 2.4. Financial Impact of the Share Purchase Mandate

The impact of the Share Purchase Mandate on the Company's financial position is set out below.

The total number of issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings) in the Company as at 30 March 2021, being the latest practicable date prior to the printing of this Addendum (the "**Latest Practicable Date**"), is 85,560,202 Shares and the exercise in full of the Share Purchase Mandate would result in the purchase of up to 8,556,020 Shares. As at the Latest Practicable Date, the Company had 900,400 treasury shares and no subsidiary holdings, and the Shares, being the ordinary

shares in the capital of the Company, were the only class of shares issued by the Company.

All Shares which are purchased or acquired by the Company shall be held by the Company as treasury shares which may be used for the purpose stated in the Companies Act, unless the Company elects that such Shares shall be cancelled immediately on the purchase or acquisition.

Treasury shares are ordinary shares or stocks purchased or otherwise acquired by a company in accordance with Sections 76B to 76G of the Companies Act and which have been held by the Company continuously since the treasury shares were so purchased, and the Company shall be entered in the Register of Members as the member holding those Shares. The number of Shares held as treasury shares cannot at any time exceed ten (10) per cent. of the total number of issued ordinary shares in the capital of the Company.

The treasury shares shall be treated as having no voting rights and shall not be entitled to any dividend or other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up). However, an allotment of shares as fully paid bonus shares in respect of the treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller or greater amount is also allowed if the total value of the treasury shares after the subdivision or consolidation is the same as before the subdivision or consolidation, as the case may be.

Treasury shares may be held by the Company or may be sold, transferred or cancelled in accordance with Section 76K of the Companies Act and the Listing Manual of the SGX-ST. Under Section 76K of the Companies Act, where the purchased or acquired Shares are held as treasury shares, the Company may at any time:

- (a) sell the Shares (or any of them) for cash;
- (b) transfer the Shares (or any of them) for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;
- (c) transfer the Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the Shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe.

In addition, under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

If the purchased Shares will be cancelled, the issued share capital of the Company will be reduced by the corresponding purchase price of the purchased Shares. Accordingly, the net tangible assets of the Company and the Group will be reduced by the dollar value of the Shares purchased.

The financial impact on the Group arising from purchases or acquisition of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

Based on the issued and paid-up share capital of the Company as at the Latest Practicable Date, assuming that the Company purchases 8,556,020 Shares at the Maximum Price of S\$0.53 per Share (being the price equivalent of five (5) per cent. above the average of the closing market prices of the Shares for the five (5) consecutive market days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 8,556,020 Shares (excluding ancillary expenses such as related brokerage, goods and services tax, stamp duties and clearance fees) is approximately S\$4,546,000.

For illustrative purposes only and on the basis of the assumption above, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and Company for the financial year ended 31 December 2020 is set out below and assuming the following:

- (a) the purchase or acquisition of 8,556,020 Shares by the Company pursuant to the Share Purchase Mandate by way of purchases (whether Market Purchases or Off-Market Purchases) made entirely out of profits and/or capital and held in treasury; and
- (b) the purchase or acquisition of 8,556,020 Shares by the Company pursuant to the Share Purchase Mandate by way of purchases (whether Market Purchases or Off-Market Purchases) made entirely out of profits and/or capital and cancelled.

#### Scenario (a)

- (i) Purchases of up to a maximum of ten (10) per cent. out of profits and/or capital and held in treasury.

Treasury	Group		Company	
	Before share purchase	After share purchase	Before share purchase	After share purchase
Issued capital and reserves (S\$'000)	59,864	59,864	53,903	53,903
Treasury Shares (S\$'000)	(431)	(4,977)	(431)	(4,977)
Net Tangible Assets(S\$'000)	59,433	54,887	53,472	48,926
Current Assets(S\$'000)	53,726	49,180	27,072	22,526
Current Liabilities(S\$'000)	17,513	17,513	14,762	14,762
Net Borrowings/(Cash)(S\$'000)	(48,893)	(44,347)	(26,971)	(22,425)
Number of Shares (as at the Latest Practicable Date)	85,560,202	77,004,182	85,560,202	77,004,182
NTA / Share (cents)	69.46	71.28	62.50	63.54
Profit/(loss) per Share (cents)	3.72	4.13	(0.38)	(0.42)
Gearing ratio (times)	0.02	0.03	-	-
Current ratio (times)	3.07	2.81	1.83	1.52

**Scenario (b)**

- (i) Purchases of up to a maximum of ten (10) per cent. out of profits and/or capital and cancelled.

<b>Cancelled</b>	<b>Group</b>		<b>Company</b>	
	<b>Before share purchase</b>	<b>After share purchase</b>	<b>Before share purchase</b>	<b>After share purchase</b>
Issued capital and reserves (S\$'000)	59,433	54,887	53,472	48,926
Treasury Shares (S\$'000)	-	-	-	-
Net Tangible Assets(S\$'000)	59,433	54,887	53,472	48,926
Current Assets(S\$'000)	53,726	49,180	27,072	22,526
Current Liabilities(S\$'000)	17,513	17,513	14,762	14,762
Net Borrowings/(Cash) (S\$'000)	(48,893)	(44,347)	(26,971)	(22,425)
Number of Shares (as at the Latest Practicable Date)	85,560,202	77,004,182	85,560,202	77,004,182
NTA / Share (cents)	69.46	71.28	62.50	63.54
Profit/(loss) per Share (cents)	3.72	4.13	(0.38)	(0.42)
Gearing ratio (times)	0.02	0.03	-	-
Current ratio (times)	3.07	2.81	1.83	1.52

**Notes:**

1. Net Tangible Assets equals Total assets less goodwill, intangible assets and net assets attributable to non-controlling interest
2. Net Borrowings equals loan from financial institution (excluding loan from non-controlling interest) and convertible bonds less cash
3. Net Gearing Ratio equals Loan from financial institution (excluding loan from non-controlling interest) and convertible bonds divided by Shareholders' Fund
4. Current Ratio equals Current Assets divided by Current Liabilities
5. Profit Per Share equals profit from continuing operation net of tax attributable to the Company's shareholders divided by Number of Shares
6. The Treasury Shares are purchased on the 1<sup>st</sup> day of the year

**Shareholders should note that the financial effects set out above, based on the respective aforesaid assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on historical audited numbers for the financial year ended 31 December 2020, and are not necessarily representative of future financial performance.**

The Directors emphasise that they do not propose to exercise the Share Purchase Mandate to the extent that it will have a material adverse impact on the working capital requirements of the Group or the gearing levels which are from time to time, in the opinion of the Directors, appropriate for the Group. The Share Purchase Mandate will be exercised in accordance with the Guidelines on Share Purchases and the Directors will be prudent in exercising the Share Purchase Mandate and only to such extent which the Directors believe will be beneficial to the Group and the Shareholders from time to time giving consideration to the prevailing market conditions, the financial position of the Group and other relevant factors. Further, in accordance with the Guidelines on Share Purchases, Share purchases are prohibited after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been publicly announced. In particular, the Company may not purchase its Shares on the SGX-ST during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce

its quarterly financial statements), and ending on the date of announcement of the relevant results.

## 2.5. Take-over Code Implications Arising from Share Purchases

The resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following the purchase of Shares by the Company, will be treated as an acquisition for the purposes of Rule 14 ("**Rule 14**") of the Singapore Code on Take-overs and Mergers (the "**Take-over Code**"). Consequently, depending on the number of Shares purchased by the Company and the Company's issued share capital at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert, namely (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) and (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, companies of which such companies are associated companies, all with one another, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, ownership or control of at least twenty (20) per cent., but not more than fifty (50) per cent., of the voting rights of a company will be regarded as the test of associated company status.

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

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to thirty (30) per cent. or more, or if the voting rights of such Directors and their concert parties fall between thirty (30) per cent. and fifty (50) per cent. of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one (1) per cent. in any period of six (6) months. Where the concert party group holds over fifty (50) per cent. of the Company's voting rights, no obligation to make a take-over offer under Rule 14 normally arises from acquisitions by any member of the concert party group.

Based on the Register of Directors of the Company, as at the Latest Practicable Date, the shareholdings of the Directors of the Company before and (assuming (a) the Company purchases the maximum amount of ten (10) per cent. of the total number of issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings), and (b) there is no change in the number of Shares held or deemed to be held by the Directors) after the purchase by the Company of ten (10) per cent. of the total number of issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings) pursuant to the Share Purchase Mandate were/will be as follows:

Name of Director	Before Share Purchase			After Share Purchase		
	Direct Interest	Deemed Interest	Total Interest	Direct Interest	Deemed Interest	Total Interest
	%	%	%	%	%	%
Lew Syn Pau	0.17	-	0.17	0.19	-	0.19
Tay Teng Guan Arthur	-	55.39	55.39	-	61.54	61.54



Tay Teng Hock	-	-	-	-	-	-
Chan Kum Tao	-	-	-	-	-	-
Yeo Wee Kiong	-	-	-	-	-	-

Based on the above information and at the Latest Practicable Date, as Tay Teng Guan Arthur (together with persons acting in concert with him) has aggregate voting rights of the Company of more than fifty (50) per cent., the increase in his shareholdings and voting rights in the event the Company purchases the maximum amount of ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company under the Share Purchase Mandate, will not result in him and persons acting in concert with him being obligated to make a mandatory offer under Rule 14 of the Take-over Code. None of the Directors (together with persons acting in concert with them) will become obliged to make a take-over offer under Rule 14 and Appendix 2 of the Take-over Code in the event that the Company purchases the maximum amount of ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company under the Share Purchase Mandate.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to thirty (30) per cent. or more, or, if such Shareholder holds between thirty (30) per cent. and fifty (50) per cent. of the Company's voting rights, the voting rights of such Shareholder would increase by more than one (1) per cent. in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Company to purchase or acquire its Shares, unless so required under the Companies Act.

Under Appendix 2 of the Take-over Code, in general, Shareholders will be subject to the provisions of Rule 14 if they acquire voting shares after the Company's share buy-back.

Based on the Register of Substantial Shareholders of the Company, as at the Latest Practicable Date, the shareholdings of the substantial shareholders of the Company before and (assuming (a) the Company purchases the maximum amount of ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company, and (b) there is no change in the number of Shares held or deemed to be held by the substantial shareholders) after the purchase by the Company of ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company pursuant to the Share Purchase Mandate were/will be as follows:

Name of substantial shareholder	Before Share Purchase			After Share Purchase		
	Direct Interest	Deemed Interest	Total Interest	Direct Interest	Deemed Interest	Total Interest
	%	%	%	%	%	%
SUTL Global Pte. Ltd.	55.39	-	55.39	61.54	-	61.54
Tay Teng Guan Arthur <sup>(a)</sup>	-	55.39	55.39	-	61.54	61.54

**Notes:**

- (a) The deemed interest of Mr Tay Teng Guan Arthur of 55.39 per cent. of the issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings) of the Company arises out of the Shares in which SUTL Global Pte. Ltd. has an interest.

Based on the above information and at the Latest Practicable Date, as SUTL Global Pte. Ltd.

(together with persons acting in concert with it, including Tay Teng Guan Arthur) has aggregate voting rights of the Company of more than 50%, the increase in their shareholdings and voting rights in the event the Company purchases the maximum amount of ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company under the Share Purchase Mandate will not result in them and persons acting in concert with them being obligated to make a mandatory offer under Rule 14 of the Take-over Code. None of the substantial shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 and Appendix 2 of the Take-over Code in the event the Company purchases the maximum amount of ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company under the Share Purchase Mandate.

The Directors are also not aware of any Shareholder or group of Shareholders acting in concert who may become obliged to make a mandatory offer in the event that the Directors exercise the Share Purchase Mandate.

**Shareholders are advised to consult their professional advisers and/or the Securities Industry Council and/or the relevant authorities at the earliest opportunity as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.**

## 2.6. Disclosure Requirements for Substantial Shareholders

The disclosure of interests requirements in listed entities by a substantial shareholder are set out in Part VII of the Securities and Futures Act.

Under the Securities and Futures Act, a substantial shareholder in a company is defined as a person who has an interest or interests in one or more voting shares (excluding treasury shares) in the company and the total votes attached to that share, or those shares, is not less than five (5) per cent. of the total votes attached to all the voting shares (excluding treasury shares) in the company.

Shareholders should note that a purchase of Shares by the Company may inadvertently cause the percentage shareholding of Shareholders, particularly Shareholders whose current holding of Shares is close to five (5) per cent., to become a substantial shareholder in the Company for the purposes of the Securities and Futures Act.

## 2.7. Listing Status on SGX-ST

The Directors will use their best efforts to ensure that the Company does not effect a purchase of Shares if the purchase of Shares would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status of the Company.

Under Rule 723 of the Listing Manual, a company should ensure that at least ten (10) per cent. of a class of its listed securities is at all times held by the "public" (as defined in the Listing Manual).

As at the Latest Practicable Date, 44.61 per cent. of the issued share capital of the Company is held by the public. The Company is as such of the view that there is currently a sufficient number of Shares in issue held by public Shareholders which would permit the Company to effect a purchase of up to ten (10) per cent. of the total number of issued Shares (excluding Shares held as treasury shares or which comprise subsidiary holdings) of the Company pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. Before deciding to effect a purchase of Shares, the Directors will also ensure that, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to provide for an orderly market for trading in the Shares.

## 2.8. Shares Purchased in the Previous 12 Months

The Company has purchased a total of 900,400 Shares, representing 1.04% of the total issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings) as at 23 June 2020, being the date of the resolution authorising the Company to make purchases of Shares, by way of Market Purchases in the twelve (12) months preceding the Latest Practicable Date. The highest and lowest price paid was S\$0.49 and S\$0.45 per Share respectively. The total consideration paid (which includes stamp duties, brokerage, clearing/trading fees and goods and services tax) was S\$430,561. As at the Latest Practicable Date, the Company has 900,400 treasury shares.

As at the Latest Practicable Date, the Company had not purchased or acquired any of its Shares by way of Off-Market Purchases pursuant to the Share Purchase Mandate approved by Shareholders at the Twenty-Sixth Annual General Meeting of the Company held by way of electronic means on 23 June 2020.

### 3. PROPOSED ALTERATION AND EXTENSION OF THE OPTION SCHEME

#### 3.1. Background

The Company previously had a share option scheme, the Achieva Limited Share Option Scheme (“**Achieva Share Option Scheme 2001**”), which was adopted at the extraordinary general meeting of the Company held on 9 May 2001, and expired on 8 May 2011. In light of the expiration of the Achieva Share Option Scheme 2001, the Company adopted the Option Scheme, which was approved by Shareholders at the extraordinary general meeting of the Company held on 29 April 2011. The Option Scheme was adopted for an initial duration of up to a maximum of ten (10) years, and, subject to compliance with any applicable laws and regulations in Singapore, may be continued beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required. The initial duration of the Option Scheme will expire on 28 April 2021.

Subsequent to 29 April 2011, in light of the reduction of the standard board lot size of securities listed on the SGX-ST from 1,000 to 100 units with effect from 19 January 2015, the rules of the Option Scheme (“**Rules**”) were amended on 19 February 2019 in the following manner:

Rule	Amendment
8.5	The phrase “the Participant shall accept the offer in multiples of 1,000 Shares”, be deleted and the phrase “the Participant shall accept the offer in multiples of 100 Shares”, be inserted in substitution therefor.
11.1, 11.2 and 12.1	The phrase “provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof”, be deleted and the phrase “provided that Options may be exercised in part only in respect of 100 Shares or any multiple thereof”, be inserted in substitution therefor.
Appendix A2 – Acceptance Form	The phrase “Option must be accepted in full or in multiples of 1,000 Shares”, be deleted and the phrase “Options must be accepted in full or in multiples of 100 Shares”, be inserted in substitution therefor.
Appendix A3 – Exercise Note	The phrase “An Option may be exercised in whole or in part provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof”, be deleted and the phrase “Options may be exercised in whole or in part provided that Options may be exercised in part only in respect of 100 Shares or any multiple thereof”, be inserted in substitution therefor.

Subsequent to 19 February 2019, in light of the amendment of Rule 1207(19)(c) of the Listing Manual of the SGX-ST with effect from 7 February 2020 to state, *inter alia*, that, a listed issuer

and its officers should not deal in the listed issuer's securities during the period commencing one month before the announcement of the company's half year financial statements (if the issuer does not announce its quarterly financial statements), the Rules were further amended on 3 July 2020 in the following manner:

Rule	Amendment
7.1	The phrase "except that no offer of grant of Options shall be made during the period of one (1) month immediately preceding the date of announcement of the Company's full-year results and two (2) weeks before the announcement of the results of the Company for each of the first, second and third quarters of its financial years (as the case may be)", be deleted and the phrase "except that no offer of grant of Options shall be made during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements)", be inserted in substitution therefor.

As the foregoing amendments were not made for the advantage of the Option Holder (as defined in the Rules) under the Option Scheme, no Shareholders' approval for such alterations was required.

The existing Rules (as amended on 19 February 2019 and 3 July 2020) (the "**Existing Rules**"), as further amended by Section 3.4 below, are set out in Appendix A hereto.

### 3.2. **Rationale for the extension of the Option Scheme**

The Company had implemented the Option Scheme as the Option Scheme would provide an opportunity for Executive Employees and Group Non-Executive Directors, each as defined in the Rules, who have contributed and who may continue to contribute significantly to the growth and performance of the Group and who satisfy the eligibility criteria as set out in Rule 4 of the Option Scheme, to participate in the equity of the Company.

The Company recognises the importance of, and places great emphasis on the recruitment and retention of qualified and experienced employees and directors with strong capabilities and high performance standards in order for it to be more effective in strategic planning, implementation and execution of its business plans and management of its operations.

The Option Scheme will provide the Group with the means to use share options as part of a remuneration and compensation plan for attracting as well as retaining Executive Employees and Group Non-Executive Directors and will give the Group added flexibility in structuring more competitive remuneration packages which are designed to reward and retain those Executive Employees and Group Non-Executive Directors whose services are vital to the well-being, growth and success of the Group.

The Option Scheme is primarily a share incentive option scheme. It recognises the fact that the services of the Executive Employees and Group Non-Executive Directors are important to the success and the continued well-being of the Group. Implementation of the Option Scheme will enable the Group to give recognition to the contributions made by Executive Employees and Group Non-Executive Directors. At the same time, it will give Executive Employees and Group Non-Executive Directors an opportunity to have a real and personal direct interest in the Group and will also help to achieve the following positive objectives:

- (a) to serve as an additional method available to the Group for compensating the Executive Employees and Group Non-Executive Directors rather than merely through salaries, directors' fees, salary increments and cash bonuses and to make remuneration

sufficiently competitive to recruit and retain Executive Employees and Group Non-Executive Directors;

- (b) to enhance the Group's ability to retain and attract highly qualified Executive Employees and Group Non-Executive Directors whose contributions are important to the Group's long-term business plans and objectives;
- (c) to offer Executive Employees and Group Non-Executive Directors the opportunity to acquire or increase their equity interests in the Company and a chance to share in the profits of the Company by making them shareholders;
- (d) to motivate Executive Employees and Group Non-Executive Directors to maximise their performance and efficiency due to the possible financial rewards arising from the Options granted, and to maintain a high level of contribution to the Group and create value for Shareholders;
- (e) to promote greater commitment and dedication, instill loyalty and a stronger identification by the Executive Employees and Group Non-Executive Directors with the long-term development and growth of the Group;
- (f) to align the interests of the Executive Employees and Group Non-Executive Directors with those of the Company's Shareholders; and
- (g) to give recognition to the contributions made or to be made by the Executive Employees and Group Non-Executive Directors to the success of the Group.

As the Option Scheme continues to be a key part of the Group's remuneration and compensation arrangements, the Board has approved the recommendations from the Company's Remuneration Committee for the proposed extension of the duration of the Option Scheme, and the Directors propose that the Option Scheme be extended for a further period of ten (10) years from (and including) 29 April 2021 up to (and including) 28 April 2031.

The existing limit on the total number of number of Shares in respect of which Options may be granted under the Option Scheme is not increased as a result of the proposed extension of the duration of the Option Scheme. In this regard, the aggregate number of Shares in respect of which Options may be granted under the Option Scheme, including Options which may be granted during the further extended ten-year period of the Option Scheme, when added to the number of Shares issued and issuable in respect of all Options already granted under the Option Scheme shall not exceed 15% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) on the date preceding the Date of Grant (each as defined in the Rules).

As stated in Section 1.11 above, the SGX-ST had on 5 April 2021 approved in-principle the application for the listing and quotation of the new Shares to be issued in connection with the Option Scheme, subject to the independent Shareholders' approval for the Option Scheme and the Company's compliance with the SGX-ST's listing requirements and guidelines. Please refer to Section 1.11 for more details.

### 3.3. **Rationale for Including Non-Executive Directors**

The Group Non-Executive Directors come from different professions and backgrounds and bring to the Group a wealth of experience in corporate governance and business management, as well as invaluable guidance in relation to the strategic issues and development of the Company, thus providing the Company with a multi-disciplinary approach in evaluating and considering business issues and opportunities.

Even though the Group Non-Executive Directors are not involved in the day-to-day running of the Group, they are often consulted on various matters in relation to the business of the Group. They are highly regarded for their contributions to the Company. It is thus proposed that the Option Scheme be extended to Group Non-Executive Directors in recognition of their services

and contributions to the development and growth of the Group.

Currently, the Group Non-Executive Directors are remunerated for their services by way of directors' fees paid in the form of cash. Extending the Option Scheme to the Group Non-Executive Directors will provide the Group with an alternative to remunerating them by cash as it may not always be possible to compensate them fully or appropriately by way of increased directors' fees.

By implementing the Option Scheme and giving Group Non-Executive Directors an opportunity to participate in the equity of the Company, their working relationships with the Group will also be enhanced as it will instill in them a greater sense of involvement and ownership. The extension of the Option Scheme to Group Non-Executive Directors will enable the Group to continue to attract capable individuals to act as Group Non-Executive Directors.

Before granting any Options to a Group Non-Executive Director (including an independent Director of the Company ("**Independent Director**")), the Committee (as defined in the Rules) will take into consideration, *inter alia*, his performance and contributions to the success and development of the Company. In assessing the performance of the Group Non-Executive Directors (including Independent Directors), the Company will take into account their attendance at meetings, their membership in various committees in the Company as well as their contributions which include contributions of their experience in the areas of overall business strategies, risk management and investment decisions. The Group Non-Executive Directors (including Independent Directors) may be appointed as members of the Committee. However, the Rules provide that no member of the Committee shall be involved in any deliberation in respect of Options to be granted to him.

As at the date of this Addendum, the Group Non-Executive Directors eligible to participate in the Option Scheme are Mr Lew Syn Pau, Mr Chan Kum Tao, Mr Yeo Wee Kiong and Mr Tay Teng Hock (subject to further requirements as set out in Section 5).

Notwithstanding the eligibility of Independent Directors to participate in the Option Scheme, the Board is of the view that the participation of the Independent Directors will not compromise their independent status for the following reasons:

- (a) the Independent Directors would primarily continue to be remunerated for their services by way of directors' fees payable in cash;
- (b) each Independent Director will abstain from voting as a member of the Committee, when the grant of Options to him is being considered; and
- (c) it is not the intention of the Board that Independent Directors be granted Options of significant sizes such that it could interfere, or be reasonably perceived to interfere, with the exercise of the Independent Director's independent business judgement in the best interests of the Company.

Based on the foregoing reasons, the Board is of the view that the participation by Independent Directors will not compromise their independent status.

#### 3.4. **Proposed Alterations**

In addition to the extension of the Option Scheme, certain alterations are proposed to be made to the Existing Rules of the Option Scheme so as to: (1) update the name of the Option Scheme in light of the change of Company name from "Achieva Limited" to "SUTL Enterprise Limited" as approved by Shareholders at the extraordinary general meeting held on 5 June 2015; (2) comply with the relevant amendments to the Listing Manual of the SGX-ST, Companies Act and Securities and Futures Act (Chapter 289); and (3) make editorial changes to the language used in the Option Scheme.

The proposed alterations to the Existing Rules of the Option Scheme are set out below. The

Existing Rules (as further amended in the following manner) (the “**Amended Rules**”) are set out in Appendix A hereto.

Rule	Amendment
General	The name “SUTL Enterprise Limited” be substituted for “Achieva Limited” wherever the latter appears in the Existing Rules.
General	The terms “Constitution” be substituted for “Memorandum and Articles of Association” wherever the latter appears in the Existing Rules. This is in line with the amendments to the Companies Act which took effect from 3 January 2016.
2.1	<p>The definition of “Controlling Shareholder” be amended to refer to the updated definition set out in the Listing Manual of the SGX-ST. This is in line with the amendment to the definition of “Controlling Shareholder” in the Listing Manual of the SGX-ST which took effect from 26 June 2018.</p> <p>The definition for “subsidiary holdings” as set out in the Listing Manual of the SGX-ST be inserted immediately after the definition of “Subsidiary”. This is in line with the inclusion of the definition of “subsidiary holdings” in the Listing Manual of the SGX-ST which took effect from 31 March 2017.</p> <p>The definition of “Committee” be amended from “The committee comprising all the members of the Remuneration Committee of the Company from time to time, and duly authorised and appointed by the Board pursuant to Rule 16 of the Option Scheme to administer the Option Scheme” to “The Remuneration Committee of the Company from time to time” for simplicity.</p>
2.2	The reference to Section 130A of the Companies Act in relation to the terms “Depositor”, “Depository Agent” and “Depository Register” be amended to refer to Section 81SF of the Securities and Futures Act (Chapter 289). This is in line with the amendments to the Companies Act and Securities and Futures Act (Chapter 289) which took effect from 3 January 2016.
3	The typographical error in respect of the word “Directos” be amended to “Directors”.
4.1	The typographical error in respect of the defined term “Date of the Grant” be amended to “Date of Grant”.
6.1	The phrase “issued Shares (excluding Treasury Shares) of the Company”, be deleted and the phrase “issued Shares (excluding Treasury Shares and subsidiary holdings) of the Company”, be inserted in substitution therefor. This is in line with the amendment to Rule 845(1) of the Listing Manual of the SGX-ST which took effect from 31 March 2017.
10.1	The wordings “capitalisation of profits or reserves” and “capitalisation issue”, be deleted and the terms “bonus issue”, be inserted in substitution therefor. This is in line with amendments to Rule 850 of the Listing Manual of the SGX-ST which took effect from 7 February 2020.
23.2	<p>The sub-paragraph (d) as follows:</p> <p>“(d)</p> <p>(i) The names of and number and terms of options granted to each director or employee of the parent company and its subsidiaries who receives 5% or more of the total number of options available to all directors and employees of the parent company and its subsidiaries under the Option Scheme, during the FY under review; and</p>

	<p>(ii) The aggregate number of options granted to the directors and employees of the parent company and its subsidiaries for the FY under review, and since the commencement of the Option Scheme to the end of the FY under review.”,</p> <p>be inserted after the existing sub-paragraph (c).</p> <p>The phrase “If any of the disclosure above in the foregoing of this Rule 23.2 is not applicable, an appropriate negative statement will be included in the annual report.” be inserted at the end of Rule 23.2.</p> <p>The above are inserted for consistency with Rule 852(1)(c) and Rule 852(2) of the Listing Manual of the SGX-ST.</p>
Appendix A3 – Exercise Note	The phrase “in multiples of 1,000”, be deleted and the phrase “in multiples of 100”, be inserted in substitution therefor. This is in line with the reduction of the standard board lot size of securities listed on the SGX-ST from 1,000 to 100 units with effect from 19 January 2015.

### 3.5. Summary of the Option Scheme

The following is a summary of the Rules of the Option Scheme (including certain Amended Rules). The Rules, which comprise of the Existing Rules and Amended Rules collectively, are set out in Appendix A hereto.

#### (a) Eligibility

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

- (i) confirmed Executive Employees (including Group Executive Directors);
- (ii) employees who qualify under sub-paragraph (a)(i) above and are seconded to a Subsidiary (as defined in the Rules); and
- (iii) Group Non-Executive Directors (including Independent Directors),

provided that, as at the Date of Grant, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any composition(s) with their respective creditors.

#### (b) Entitlements

Subject to Rule 4 and Rule 10, the aggregate number of Shares in respect of which Options may be offered to a Participant (as defined in the Rules) for subscription in accordance with the Option Scheme shall be determined at the discretion of the Committee who shall take into account, where applicable, criteria such as rank, past performance, years of service and potential contribution of the Participant to the Group as well as the limit imposed by Rule 6. In respect of Options to be granted to Controlling Shareholders and their Associates (each as defined in the Rules) and the terms and conditions attached to such Options, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberation.

#### (c) Size of the Option Scheme



The aggregate number of Shares (comprising New Shares issued and issuable in respect of the Option(s) granted under the Option Scheme and/or Treasury Shares delivered in respect of the Option(s)) over which the Committee may offer to grant Option(s) on any date, when added to:

- (i) the aggregate number of new Shares issued and issuable in respect of all other share-based incentive schemes of the Company (if any); and
- (ii) the number of Treasury Shares delivered in respect of the options granted under all other share-based incentive schemes of the Company (if any),

shall not exceed 15% of the total issued Shares (excluding Treasury Shares and subsidiary holdings) of the Company on the date immediately preceding the Date of Grant.

The aggregate number of Shares over which the Committee may offer to grant Options to the Controlling Shareholders and their Associates under the Option Scheme, shall not exceed 25% of the Shares available under the Option Scheme, provided always that the number of Shares available to each Controlling Shareholder or each of his Associates shall not exceed 10% of the Shares available under the Option Scheme.

(d) **Date of Grant**

The Committee may, save as provided in Rule 4, Rule 5 and Rule 6, offer to grant Options to such Participants as it may select in its absolute discretion at any time during the period when the Option Scheme is in force, subject to certain exceptions.

In addition, in the event that an announcement of any matter of an exceptional nature involving unpublished price sensitive information is made, the Committee may offer to grant Options on or after the second Market Day (as defined in the Rules) on which such announcement has been released.

(e) **Acceptance of Offer**

An Option offered to a Participant pursuant to Rule 7 may only be accepted by the Participant within 30 days after the relevant Date of Grant and not later than 5.00 p.m. on the (30th) day from such Date of Grant (a) by completing, signing and returning to the Company the acceptance form in or substantially in the form set out in Appendix A2 of the Rules, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1.00 as consideration or such other amount and such other documentation as the Committee may require and (b) if, at the date on which the Company receives from the Participant the acceptance form in respect of the Option as aforesaid, he remains eligible to participate in the Option Scheme in accordance with the Rules.

(f) **Exercise Price**

Subject to any adjustment pursuant to Rule 10, the Exercise Price (as defined in the Rules) for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, on the Date of Grant, at:

- (i) a price equal to the Market Price (as defined in the Rules); or
- (ii) a price which is set at a discount to the Market Price, provided that:
  - (a) the maximum discount shall not exceed 20.0 per cent (20%) of the Market Price (or such other percentage or amount as may be determined by the Committee and permitted by the SGX-ST); and

- (b) the Shareholders in general meeting shall have authorised, in a separate resolution, the making of offers and grants of Options under the Option Scheme at a discount not exceeding the maximum discount as aforesaid.

In the event that SGX-ST prescribes or permits a higher percentage of discount, the Company will seek Shareholders' approval for the increase in discount at a general meeting.

(g) **Alteration of Capital**

Subject to the other provisions of Rule 10, if a variation in the share capital of the Company (whether by way of a bonus issue or rights issue or reduction, subdivision, consolidation or distribution, or otherwise howsoever) should take place, then:

- (i) the Exercise Price in respect of the Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
- (ii) the class and/or number of Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
- (iii) the class and/or number of Shares in respect of which additional Option(s) may be granted to Option Holders,

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

(h) **Exercise Period**

Options granted with the Exercise Price set at Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by an Option Holder after the first anniversary of the Date of Grant of that Option, provided always that the Options (other than Options granted to Group Non-Executive Directors) shall be exercised before the tenth (10<sup>th</sup>) anniversary of the relevant Date of Grant and Options granted to Group Non-Executive Directors before the fifth (5<sup>th</sup>) anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and an Option Holder shall have no claim against the Company.

Options granted with the Exercise Price set at a discount to Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by an Option Holder after the second anniversary from the Date of Grant of that Option, provided always that the Options (other than Options granted to Group Non-Executive Directors) shall be exercised before the tenth (10<sup>th</sup>) anniversary of the relevant Date of Grant and Options granted to Group Non-Executive Directors before the fifth (5<sup>th</sup>) anniversary of the relevant Date of Grant, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and an Option Holder shall have no claim against the Company.

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

- (i) subject to Rules 11.3, 11.4, 11.5 and 11.6 of the Option Scheme, upon the Option Holder ceasing to be an employee or a Director of the Company or any of the companies with the Group (as the case may be) for any reason whatsoever;
- (ii) upon the bankruptcy of the Option Holder or the happening of any other event which result in his being deprived of the legal or beneficial ownership of such Option; or
- (iii) in the event of misconduct on the part of the Option Holder, as determined by the Committee in its absolute discretion.

If an Option Holder ceases to be employed by a Group Company or a Group Non-Executive Director ceases to be a Director of a Group Company by reason of his ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee, redundancy, retirement at or after a normal retirement age or retirement before that 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 Options within the relevant Exercise Period (as defined in the Rules) and upon the expiry of such period, the Options remaining unexercised shall immediately lapse and become null and void.

If an Option Holder 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 Option Holder within the relevant Exercise Period and upon the expiry of such period, the Options remaining unexercised shall immediately lapse and become null and void.

(i) **Modifications to the Option Scheme**

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

- (i) any modification or alteration which shall alter adversely the rights attaching 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 may only be made with the consent in writing of such number of Option Holders who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters of all the Shares which would fall to be allotted or transferred upon exercise in full of all outstanding Options;
- (ii) any modification or alteration which would be to the advantage of Option Holder under the Option Scheme shall be subject to the prior approval of the Company's Shareholders in general meeting; and
- (iii) no modification or alteration shall be made without the prior approval of the SGX-ST or (if required) any other stock exchange on which the Shares are quoted and listed, and such other regulatory authorities as may be necessary.

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

(j) **Duration of the Option Scheme**

The Option Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Option Scheme is adopted by Shareholders at a general meeting. Subject to compliance with

any applicable laws and regulations in Singapore, the Option Scheme may be continued beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

(k) **Administration of the Option Scheme**

The Option Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.

A Director who is a member of the Committee shall not be involved in the deliberation in respect of Option(s) to be granted to him.

(l) **Voting, dividends and other right**

Shares allotted and issued or Treasury Shares which are transferred, upon the exercise of an Option shall be subject to all provisions of the Constitution and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights (including voting rights), allotments or other distributions, the Record Date for which falls prior to the date of issue or transfer (as the case may be) of the said Shares.

(m) **Shareholders' approval**

The participation of each Controlling Shareholder and each of his Associates must be specifically approved by independent Shareholders in separate resolutions for each such person. Each grant of Options (including the actual number and the terms of the Options to be granted) to a Controlling Shareholder or his Associates must be specifically approved by independent Shareholders in separate resolutions for each such grant of Options.

### 3.6. Existing Options

As at the Latest Practicable Date, the total number of issued Shares (excluding any Shares held as Treasury Shares or which comprise subsidiary holdings) is 85,560,202 Shares. As at the Latest Practicable Date, the Company had 900,400 Treasury Shares.

As at the Latest Practicable Date, the aggregate number of Shares over which the Committee may offer to grant Option(s) under the Option Scheme and all other share-based incentive schemes of the Company shall not exceed 12,834,030 Shares, which represent 15% of the total number of issued Shares of the Company (excluding Treasury Shares and subsidiary holdings).

(a) **Options granted under the Achieva Limited Share Option Scheme 2001**

As at the Latest Practicable Date, after the adjustments made in light of the consolidation of every 10 existing shares of the Company into 1 share ("**Share Consolidation**") which was approved by Shareholders at the extraordinary general meeting of the Company held on 26 October 2015, a total of 4,959,395 options had been granted to 283 participants under the Achieva Share Option Scheme 2001, of which 1,949,795 options were cancelled or lapsed and no options remain unexercised and outstanding. As a result of exercises of the options granted, and taking into account the adjustments made in light of the Share Consolidation, the Company had allotted a total of 3,009,600 Shares under the Achieva Limited Share Option Scheme 2001 as at the Latest Practicable Date.

Details of the options granted to, and the number of Shares issued and allotted to upon exercise of options by, the participants under the Achieva Limited Share Option Scheme 2001 as at the Latest Practicable Date are as follows:

Date of grant of options	Number of Shares offered under the options granted <sup>(1)</sup>	Number of Shares issued and allotted upon exercise of options <sup>(1)</sup>	Number of options cancelled/lapsed <sup>(1)</sup>	Number of participants who were granted options	Number of outstanding options <sup>(1)</sup>
18.10.2001	1,380,600	717,000	663,600	117	-
28.06.2002	90,000	-	90,000	1	-
30.12.2002	1,437,100	1,388,100	49,000	80	-
04.06.2003	150,000	-	150,000	1	-
22.08.2003	1,101,695	594,500	507,195	78	-
10.05.2004	90,000	-	90,000	1	-
07.08.2008	500,000	250,000	250,000	1	-
29.10.2008	60,000	60,000	-	2	-
20.08.2010	150,000	-	150,000	2	-
	4,959,395	3,009,600	1,949,795	283	-

**Notes:**

(1) Adjusted for the Share Consolidation on 26 October 2015

Details of the options granted to, and the number of Shares issued and allotted to upon exercise of options by, the Directors (excluding Controlling Shareholders and their Associates) under the Achieva Limited Share Option Scheme 2001 as at the Latest Practicable Date are as follows:

Name	Date of grant of options	Number of Shares offered under the options granted <sup>(1)</sup>	Number of Shares issued and allotted upon exercise of options <sup>(1)</sup>	Number of options cancelled <sup>(1)</sup>
Lew Syn Pau	18.10.2001	10,000	-	10,000
	30.12.2002	20,000	-	20,000
	22.08.2003	14,000	-	14,000
	29.10.2008	30,000	30,000	-

**Notes:**

(1) Adjusted for the Share Consolidation on 26 October 2015

No Controlling Shareholder or an Associate of a Controlling Shareholder as at the Latest Practicable Date, who was a participant under the Achieva Limited Share Option Scheme 2001, had been granted an option under the Achieva Limited Share Option Scheme 2001.

**(b) Options granted under the Option Scheme**

As at the Latest Practicable Date, a total of 2,380,000 Options have been granted under the Option Scheme, of which 330,000 Options were cancelled or lapsed and 2,050,000 Options remain unexercised and outstanding. The total of 2,380,000 Options were granted to a total of 16 Participants. As none of the Options granted have been exercised, the Company has not issued or allotted any Shares under the Option Scheme as at the Latest Practicable Date.

Details of the Options granted to, and the number of Shares issued and allotted to upon exercise of Options by, the Participants under the Option Scheme as at the Latest Practicable Date are as follows:

Date of grant of Options	Number of Shares offered under the Options granted	Number of Shares issued and allotted upon exercise of Options	Number of Options cancelled/lapsed	Number of participants who were granted Options	Number of outstanding Options
16.05.2012	150,000	-	150,000	1	-
02.07.2012	80,000	-	80,000	4	-
05.07.2019	1,025,000	-	100,000	9	925,000
03.07.2020	1,125,000	-	-	10	1,125,000

Details of the Options granted to, and the number of Shares issued and allotted to upon exercise of Options by, the Directors (excluding Controlling Shareholders and their Associates) under the Option Scheme as at the Latest Practicable Date are as follows:

Name	Date of grant of Options	Number of Shares offered under the Options granted	Number of Shares issued and allotted upon exercise of Options	Number of Options cancelled
Lew Syn Pau	05.07.2019	125,000	-	-
	03.07.2020	125,000	-	-
Chan Kum Tao	05.07.2019	100,000	-	-
	03.07.2020	100,000	-	-
Yeo Wee Kiong	03.07.2020	100,000	-	-

Details of the Options granted to, and the number of Shares issued and allotted to upon exercise of Options by, persons considered to be a Controlling Shareholder and their Associates under the Option Scheme as at the Latest Practicable Date are as follows:

Name	Date of grant of Options	Number of Shares offered under the Options granted	Number of Shares issued and allotted upon exercise of Options	Number of Options cancelled
Tay Teng Guan Arthur	05.07.2019	250,000	-	-
	03.07.2020	250,000	-	-
Tay Teng Hock	05.07.2019	100,000	-	-
	03.07.2020	100,000	-	-

### 3.7. Limits on the size of the Option Scheme

Details on the limits on the size of the Option Scheme are set out at Section 3.5(c) above.

As at the Latest Practicable Date, the total number of issued Shares (excluding any Shares held as Treasury Shares or which comprise subsidiary holdings) is 85,560,202 Shares. As at the Latest Practicable Date, the Company had 900,400 Treasury Shares.

As at the Latest Practicable Date, the aggregate number of Shares over which the Committee may offer to grant Option(s) under the Option Scheme and all other share-based incentive schemes of the Company shall not exceed 12,834,030 Shares, which represent 15% of the total number of issued Shares of the Company (excluding Treasury Shares and subsidiary holdings).

As at the Latest Practicable Date, the aggregate number of Shares issued or issuable under all share-based incentive schemes of the Company, including the Option Scheme, is 5,059,600 Shares. As at the Latest Practicable Date, there are 7,774,430 Shares remaining for which new Options may be granted under the Option Scheme. Details on the existing options granted under the Achieva Share Limited Option Scheme 2001 and the Option Scheme are set out at Section 3.6 above.

As at the Latest Practicable Date, the aggregate number of Shares available for which Options may be granted under the Option Scheme is 9,824,430 Shares, which is derived from 12,834,030 Shares (which represent 15% of the total number of issued Shares of the Company (excluding Treasury Shares and subsidiary holdings)), less 3,009,600 Shares allotted under the Achieva Limited Share Option Scheme 2001.

## 4. THE PROPOSED GRANT OF AUTHORITY TO OFFER AND GRANT OPTIONS AT A DISCOUNT UNDER THE OPTION SCHEME

In accordance with Rule 845(5) of the Listing Manual and Rule 9.1 of the Option Scheme, the making of offers and grants of Options under the Option Scheme at a discount not exceeding the maximum discount of 20% of the Market Price is subject to the approval of Shareholders at a general meeting. For the avoidance of doubt, such prior approval shall be required to be obtained only once, and once obtained, shall, unless revoked, authorise the making of offers and grants of Option under the Option Scheme at such discount for the duration of the Scheme.

Under the Option Scheme, the Exercise Price of Options granted shall be determined by the Committee at its absolute discretion. The Committee has the discretion to grant Options with an Exercise Price set at a discount to the Market Price on a case by case basis, taking into consideration, including but not limited to, the criteria set out under Rule 9.2 of the Option Scheme. In the event that Options are granted at a discount, the discount shall not exceed 20% of the Market Price.

The ability to offer Options at a discount to the Market Price of the Shares will give the Company flexibility in structuring the Options granted, and ensures that the Company maintains the competitiveness of its compensation strategy. The Company may utilise the Options as a means to reward Participants for their outstanding performance and to motivate them to continue to excel, as well as attract new talent for the Company. Being able to grant Options at a discount allows the Company to acknowledge a Participant's contributions where such means is more meaningful than just 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. This serves as an additional method available to the Company for compensating Executive Employees and Group Non-Executive Directors rather than merely through salaries, salary increments and cash bonuses as it enables the Company to introduce an effective manner of motivating Executive Employees and Group Non-Executive Directors to maximise their performance, which will in turn create better value for the Shareholders.

Further, because Options granted with a discount under the Option Scheme are subject to a longer vesting period (2 years) than those granted at the Market Price (1 year), holders of such Options are encouraged to have a long-term view of the Group, thereby promoting staff and executive retention and reinforcing their commitment to the Group.

The Company believes that the maximum 20% discount to the Market Price of the Shares is sufficient to allow for flexibility in the Option Scheme, while minimising the potential dilutive effect to the Shareholders arising from the Option Scheme.

The grant of authority to offer and grant Options at a discount under the Option Scheme was approved by Shareholders at the extraordinary general meeting of the Company held on 29 April 2011. In connection with the proposed alteration and extension of the Option Scheme, it is proposed that, subject to and contingent upon the approval of the alteration and extension of the Option Scheme, Shareholders' approval be sought at the Twenty-Seventh AGM for the grant of authority to offer and grant Options at a discount under the Option Scheme.

## **5. THE PROPOSED PARTICIPATION OF CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE OPTION SCHEME**

### **5.1. Rationale for Participation of Controlling Shareholders and their Associates in the Option Scheme**

The key objective of the Option Scheme is to motivate key Executive Employees and Group Non-Executive Directors to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Company. The Company believes that the Option Scheme may be effective in motivating Executive Employees and Group Non-Executive Directors to put in their best efforts whilst at the same time allowing the Company to offer attractive incentives and remuneration packages.

To this end, Executive Employees and Group Non-Executive Directors who are Controlling Shareholders and their Associates shall be treated equally as these Controlling Shareholders and their Associates are important to the development and success of the Group. As such, regardless of whether they are Controlling Shareholders or Associates of Controlling Shareholders, the Company's view is that all deserving and eligible Executive Employees and Group Non-Executive Directors should be similarly entitled to take part and benefit from the Company's fair and equitable system of remuneration.

Although the Controlling Shareholders and their Associates may already have shareholding interests in the Company, the extension of the Option Scheme to include them ensures that they are similarly entitled, with the other eligible Executive Employees and Group Non-Executive Directors of the Group who are not Controlling Shareholders or their Associates, to take part and benefit from this system of remuneration. The Directors are of the view that the Company should have a fair and equitable system to reward the eligible Executive Employees and Group Non-Executive Directors who have made and continue to make important contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholders or their Associates.

The terms of the Option Scheme do not differentiate between the Controlling Shareholders and their Associates from other Executive Employees and Group Non-Executive Directors in determining the eligibility of such persons to be granted Options. They should not unduly favour Controlling Shareholders and their Associates. Likewise, Controlling Shareholders and their Associates should not be excluded from participating in the Option Scheme solely for the reason that they are Controlling Shareholders or Associates of Controlling Shareholders. In addition, to deny participation by the Controlling Shareholders and their Associates may serve to de-motivate them and undermine the objectives of the Option Scheme.

## 5.2. Safeguards

As a safeguard against abuse, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations in respect of Options to be granted to Controlling Shareholders and their Associates and the terms and conditions attached to such Option(s). The limits on the aggregate number of Shares comprised in Options that may be granted to Controlling Shareholders and/or their Associates are set out in Sections 3.5(c) and 5.4 of this Addendum.

Specific approval of the independent Shareholders is required for the grant of Option(s) to Controlling Shareholders and their Associates as well as the actual number of and terms of such Options. In seeking such independent Shareholders' approval, clear justification as to their participation, the number of Options and the terms of Options to be granted to the Controlling Shareholders and their Associates will need to be provided.

The Company is of the view that there are sufficient safeguards against abuse resulting from the participation of Controlling Shareholders and their Associates in the Option Scheme.

## 5.3. Controlling Shareholders and their Associates

Under the Listing Manual, the participation in a scheme by Controlling Shareholders and their Associates must be approved by independent Shareholders. Further, the specific grant of Options to Controlling Shareholders and their Associates will have to be approved by independent Shareholders of the Company at a general meeting.

The participation of Mr Tay Teng Guan Arthur as a Controlling Shareholder of the Company, and Mr Tay Teng Hock as an Associate of a Controlling Shareholder of the Company, in the Option Scheme, was approved by Shareholders at the extraordinary general meeting of the Company held on 29 April 2011.

At the Twenty-Fifth Annual General Meeting of the Company held on 25 April 2019, the grant of Options in respect of 250,000 Shares to Mr Tay Teng Guan Arthur and the grant of Options in respect of 100,000 Shares to Mr Tay Teng Hock were approved. As announced by the



Company on 5 July 2019, these Options were granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock on 5 July 2019. As at the Latest Practicable Date, the Options in respect of 50 per cent. of the Shares comprised in these Options to each of Mr Tay Teng Guan Arthur and Mr Tay Teng Hock have vested, and none of these Options have lapsed.

At the Twenty-Sixth Annual General Meeting of the Company held by way of electronic means on 23 June 2020, the grant of Options in respect of 250,000 Shares to Mr Tay Teng Guan Arthur and the grant of Options in respect of 100,000 Shares to Mr Tay Teng Hock were approved. As announced by the Company on 3 July 2020, these Options were granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock on 3 July 2020. None of these Options have vested or lapsed as at the Latest Practicable Date.

It is proposed that, subject to and contingent upon the approval of the alteration and extension of the Option Scheme, Shareholders' approval be sought at the Twenty-Seventh AGM for the participation of Mr Tay Teng Guan Arthur as a Controlling Shareholder of the Company, and Mr Tay Teng Hock as an Associate of a Controlling Shareholder of the Company, in the Option Scheme.

Mr Tay Teng Guan Arthur is considered a Controlling Shareholder of the Company. He holds approximately 50.62% in the total issued shares of SUTL Global Pte. Ltd.. SUTL Global Pte. Ltd. is a Controlling Shareholder of the Company as it is directly interested in an aggregate of 47,389,942 Shares, representing approximately 55.39% of the total number of Shares issued by the Company (excluding Treasury Shares and subsidiary holdings). As at the Latest Practicable Date, Mr Tay Teng Guan Arthur has no direct interest in Shares of the Company and has a deemed interest in 47,389,942 Shares, representing approximately 55.39% of the Company's total number of issued Shares (excluding Treasury Shares and subsidiary holdings). Mr Tay Teng Guan Arthur holds Options in respect of 500,000 Shares.

Mr Tay Teng Hock is a sibling of Mr Tay Teng Guan Arthur, and is therefore considered to be an Associate of Mr Tay Teng Guan Arthur. As at the Latest Practicable Date, Mr Tay Teng Hock has no direct or deemed interest in Shares of the Company. Mr Tay Teng Hock holds Options in respect of 200,000 Shares.

As the Chief Executive Officer and Executive Director (as defined in the Rules), Mr Tay Teng Guan Arthur is in charge of overseeing the operation of the business and development of the Group. Mr Tay Teng Guan Arthur has been the Chief Executive Officer of the Company since 1 May 2010. As Mr Tay Teng Guan Arthur will continue to make invaluable contributions to the Group, it is proposed that approval be given to allow his participation in the Option Scheme so as to further incentivise him and reward him for his contributions to the Group.

As a Non-Executive Director, although Mr Tay Teng Hock is not involved in the day-to-day running of the Group, he shares his experience and insights and advises on the business of the Group. As such, it is proposed that approval be given to allow his participation in the Option Scheme so as to further incentivise him and reward him for his contributions to the Group.

The Company will seek specific approval from independent Shareholders in connection with the grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock. Details pertaining to the proposed grant of Options to Mr Tay Teng Guan Arthur, and Mr Tay Teng Hock are set out in Section 6 below.

The shareholding interests of Mr Tay Teng Guan Arthur and Mr Tay Teng Hock in the issued share capital of the Company as at the Latest Practicable Date are set out in Section 2.5 of this Addendum.

As at the Latest Practicable Date, save as aforementioned, there are no Controlling Shareholders or Associates of Controlling Shareholders who are eligible to participate in the Option Scheme.

#### **5.4. Limits on grant of Option(s) to Controlling Shareholders and their Associates**

Details on the limits on the size of the Option Scheme and the limits on the aggregate number of Shares over which the Committee may offer to grant Options to the Controlling Shareholders and their Associates under the Option Scheme are set out at Sections 3.5(c) and 3.7 above.

As set out at Section 3.7 above, the aggregate number of Shares available for which Options may be granted under the Option Scheme is 9,824,430 Shares.

The aggregate number of Shares over which the Committee may offer to grant Options to the Controlling Shareholders and their Associates under the Option Scheme, shall not exceed 25% of the Shares available under the Option Scheme, provided always that the number of Shares available to each Controlling Shareholder or each of his Associates shall not exceed 10% of the Shares available under the Option Scheme.

Accordingly, the number of Shares available to Controlling Shareholders and their Associates under the Option Scheme must not exceed 2,456,107 Shares, which represent 25% of the shares available for which Options may be granted under the Option Scheme. The number of shares available to each Controlling Shareholder or his Associate under the Option Scheme must not exceed 982,443 Shares, which represent 10% of the shares available for which Options may be granted under the Option Scheme.

## **6. THE PROPOSED GRANT OF OPTIONS TO MR TAY TENG GUAN ARTHUR, A CONTROLLING SHAREHOLDER, AND MR TAY TENG HOCK, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER**

Pursuant to Rule 853 of the Listing Manual, the specific grant of Options under the Option Scheme to Mr Tay Teng Guan Arthur as a Controlling Shareholder of the Company, and Mr Tay Teng Hock as an Associate of a Controlling Shareholder of the Company, will have to be approved by independent Shareholders of the Company in general meeting.

A summary of the Option Scheme is set out in Section 3.5 above.

Details on the proposed participation of Mr Tay Teng Guan Arthur as a Controlling Shareholder of the Company, and Mr Tay Teng Hock as an Associate of a Controlling Shareholder of the Company, in the Option Scheme are set out in Section 5 above.

Details on the limits on grants of Option(s) to Controlling Shareholders and their Associates are set out in Section 5.4 above.

### **6.1. The Proposed Grant of Options to Mr Tay Teng Guan Arthur, a Controlling Shareholder of the Company**

For the reasons set out in Section 5.1 above and Section 6.1(a) below, subject to and contingent upon the passing of Resolutions 9 and 11 at the Twenty-Seventh AGM, it is proposed that Shareholders' approval be sought at the Twenty-Seventh AGM for Options to be granted to Mr Tay Teng Guan Arthur under the Option Scheme in respect of 250,000 Shares.

#### **(a) Rationale for the grant of Options to Mr Tay Teng Guan Arthur under the Option Scheme**

Details on Mr Tay Teng Guan Arthur's roles and responsibilities in the Company are set out in Section 5.3 above.

The Directors are of the view that the experience and contribution of Mr Tay Teng Guan Arthur are invaluable to the growth of the Group and its continued success. Participation in the Option Scheme will serve as a means to motivate Mr Tay Teng Guan Arthur to continue to achieve and maintain a high level of performance, which is vital to the success of the Group, as well as enhance his long-term commitment to the Group. As the Option Scheme serves to recognise past contributions as well as

to encourage future contributions, the Directors consider it important for Mr Tay Teng Guan Arthur to be allowed to participate in the Option Scheme by the grant of Options to subscribe for 250,000 Shares at the Market Price.

**(b) Terms of grant of Options to Mr Tay Teng Guan Arthur**

The main terms of the proposed grant of the Options to Mr Tay Teng Guan Arthur are as follows:

- (a) Date of Grant: Any time within one (1) month from the date of the Twenty-Seventh AGM;
- (b) Number of Shares: 250,000 Shares (comprising approximately 0.29% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) and approximately 2.54% of the aggregate number of Shares available under the Option Scheme);
- (c) Exercise Price per Share: Market Price (To give an indication, the Market Price of the Shares on the Latest Practicable Date is S\$0.53);
- (d) Vesting Period: Fifty per cent. (50%) of the Shares comprised in the Options will vest on the first anniversary of the Date of Grant, and the balance of the Shares comprised in the Options will vest on the second anniversary of the Date of Grant; and
- (e) Exercise Period: The Options in respect of: (i) Fifty per cent. (50%) of the Shares comprised in the Options will be exercisable after the first anniversary of the Date of Grant; and (ii) the balance of the Shares comprised in the Options will be exercisable after the second anniversary of the Date of Grant, provided always that the Options shall be exercised before the tenth (10<sup>th</sup>) anniversary of the Date of Grant.

**(c) Limits on grant of Option(s) to Controlling Shareholder(s)**

The details of the Options granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock in 2019 and 2020 are set out in Section 5.3 above. Details on the limits on grants of Option(s) to Controlling Shareholders and their Associates are set out in Section 5.4 above.

Assuming that the proposed grant of Options under the Option Scheme to Mr Tay Teng Guan Arthur in respect of 250,000 Shares is approved, the aggregate number of Options amounting to 750,000 Shares granted to Mr Tay Teng Guan Arthur would represent approximately 7.63% of the aggregate number of Shares available under the Option Scheme as at the Latest Practicable Date, which is within the 10% limit prescribed for each Controlling Shareholder or each of his Associates.

The details on the number of the Shares comprised in the Options proposed to be granted to Mr Tay Teng Hock are set out in Section 6.2(c) below. Assuming that the proposed grant of Options to Mr Tay Teng Guan Arthur in respect of 250,000 Shares and Mr Tay Teng Hock in respect of 100,000 Shares respectively are approved, an aggregate number of Options in respect of 1,050,000 Shares would have been granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock. These 1,050,000 Shares would represent an aggregate of approximately 10.69% of the aggregate number of Shares available under the Option Scheme as at the Latest Practicable Date, which is within the 25% limit prescribed for the Controlling Shareholders and their Associates in aggregate.

The grant of the Options(s) to Mr Tay Teng Guan Arthur is therefore within the limits of the Option Scheme and in compliance with Rules 845(2) and 845(3) of the Listing Manual.

## 6.2. **The Proposed Grant of Options to Mr Tay Teng Hock, an Associate of a Controlling Shareholder**

For the reasons set out in Section 5.1 above and Section 6.2(a) below, subject to and contingent upon the passing of Resolutions 9 and 13 at the Twenty-Seventh AGM, it is proposed that Shareholders' approval be sought at the Twenty-Seventh AGM for Options to be granted to Mr Tay Teng Hock under the Option Scheme in respect of 100,000 Shares.

### (a) **Rationale for the grant of Options to Mr Tay Teng Hock under the Option Scheme**

Details on Mr Tay Teng Hock's roles and responsibilities in the Company are set out in Section 5.3 above.

The grant of the Options to Mr Tay Teng Hock would serve as an apt means of recognising and acknowledging his contributions to the Group. As the Option Scheme serves to recognise past contributions as well as to encourage future contributions, the Directors consider it is important that Mr Tay Teng Hock be allowed to participate in the Option Scheme by the grant of Options to subscribe for 100,000 Shares at the Market Price. The Remuneration Committee had also considered the number of Shares comprised in the Options which are proposed to be granted to Mr Tay Teng Hock in light of the Options to be granted to the other Directors, and noted that the number of Shares comprised in the Options proposed to be granted to Mr Tay Teng Hock is in line with the number of Shares comprised in the Options to be granted to the other Non-Executive Director and is appropriate in light of the respective contributions of the Directors.

### (b) **Terms of grant of Options to Mr Tay Teng Hock**

The main terms of the proposed grant of the Options to Mr Tay Teng Hock are as follows:

- (a) **Date of Grant:** Any time within one (1) month from the date of the Twenty-Seventh AGM.
- (b) **Number of Shares:** 100,000 Shares (comprising approximately 0.12% of the total number of issued Shares (excluding any Shares held as Treasury Shares or which comprise subsidiary holdings) and approximately 1.02% of the aggregate number of Shares available under the Option Scheme);
- (c) **Exercise Price per Share:** Market Price (To give an indication, the Market Price of the Shares on the Latest Practicable Date is S\$0.53);
- (d) **Vesting Period:** Fifty per cent. (50%) of the Shares comprised in the Options will vest on the first anniversary of the Date of Grant, and the balance of the Shares comprised in the Options will vest on the second anniversary of the Date of Grant; and
- (e) **Exercise Period:** The Options in respect of: (i) Fifty per cent. (50%) of the Shares comprised in the Options will be exercisable after the first anniversary of the Date of Grant; and (ii) the balance of the Shares comprised in the Options will be exercisable after the second anniversary of the Date of Grant, provided always that the Options shall be exercised before the fifth (5<sup>th</sup>) anniversary of the Date of Grant.

### (c) **Limits on grant of Option(s) to Associate(s) of Controlling Shareholder(s)**

The details of the Options granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock in 2019 and 2020 are set out in Section 5.3 above. Details on the limits on

grants of Option(s) to Controlling Shareholders and their Associates are set out in Section 5.4 above.

Assuming that the proposed grant of Options under the Option Scheme to Mr Tay Teng Hock in respect of 100,000 Shares is approved, the aggregate number of Options amounting to 300,000 Shares granted to Mr Tay Teng Hock would represent approximately 3.05% of the aggregate number of Shares available under the Option Scheme as at the Latest Practicable Date, which is within the 10% limit prescribed for each Controlling Shareholder or each of his Associates.

The details on the number of the Shares comprised in the Options proposed to be granted to Mr Tay Teng Guan Arthur are set out in Section 6.1(c) above. Assuming that the proposed grant of Options to Mr Tay Teng Guan Arthur in respect of 250,000 Shares and Mr Tay Teng Hock in respect of 100,000 Shares respectively are approved, an aggregate number of Options in respect of 1,050,000 Shares would have been granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock. These 1,050,000 Shares would represent an aggregate of approximately 10.69% of the aggregate number of Shares available under the Option Scheme as at the Latest Practicable Date, which is within the 25% limit prescribed for the Controlling Shareholders and their Associates in aggregate.

The grant of the Options to Mr Tay Teng Hock is therefore within the limits of the Option Scheme and in compliance with Rules 845(2) and 845(3) of the Listing Manual.

### 6.3. Take-over Code Implications

As at the Latest Practicable Date, Mr Tay Teng Guan Arthur has no direct interest in Shares of the Company and has a deemed interest in 47,389,942 Shares, representing approximately 55.39% of the Company's total number of issued Shares (excluding Treasury Shares and subsidiary holdings). Mr Tay Teng Guan Arthur holds Options in respect of 500,000 Shares. The details of Mr Tay Teng Guan Arthur's deemed interest in the Shares of the Company and the Options held by him are set out in Section 5.3 above.

As at the Latest Practicable Date, Mr Tay Teng Hock has no direct or deemed interest in Shares of the Company. Mr Tay Teng Hock holds Options in respect of 200,000 Shares. The details of Mr Tay Teng Hock's interest in the Shares of the Company and the Options held by him are set out in Section 5.3 above.

Assuming that: (1) the aggregate number of Options in respect of 700,000 Shares which were granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock in 2019 and 2020 are exercised in full by both Mr Tay Teng Guan Arthur and Mr Tay Teng Hock; (2) the proposed grant of Options in respect of 250,000 Shares be exercised in full by Mr Tay Teng Guan Arthur subsequent thereto; (3) there are no other changes to Mr Tay Teng Guan Arthur's shareholding interests; and (4) Treasury Shares are transferred upon the exercise of all these Options, Mr Tay Teng Guan Arthur's direct interest in Shares of the Company will increase from 500,000 Shares to 750,000 Shares, representing an increase from 0.58% to 0.87% of the total number of issued Shares of the Company (excluding Treasury Shares and subsidiary holdings), and there will be no change to the number of Shares he is deemed interested in.

Assuming that: (1) the aggregate number of Options in respect of 700,000 Shares which were granted to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock in 2019 and 2020 are exercised in full by both Mr Tay Teng Guan Arthur and Mr Tay Teng Hock; (2) the proposed grant of Options in respect of 100,000 Shares be exercised in full by Mr Tay Teng Hock subsequent thereto; (3) there are no other changes to Mr Tay Teng Hock's shareholding interests; and (4) Treasury Shares are transferred upon the exercise of all these Options, Mr Tay Teng Hock's direct interest in Shares of the Company will increase from 200,000 Shares to 300,000 Shares, representing an increase from 0.23% to 0.35% of the total number of issued Shares of the Company (excluding Treasury Shares and subsidiary holdings), and he will remain as having no deemed interest in the Shares of the Company.

Please also refer to Section 2.5 above for the shareholding interests of Mr Tay Teng Guan Arthur and Mr Tay Teng Hock as at the Latest Practicable Date. At the Latest Practicable Date, as Mr Tay Teng Guan Arthur and Mr Tay Teng Hock (together with persons acting in concert with them) have aggregate voting rights of the Company of more than 50%, the increase in their shareholdings and voting rights arising from: (i) the exercise of the aggregate number of Options in respect of 350,000 Shares granted to them on 5 July 2019 and 350,000 Shares granted to them on 3 July 2020, and (ii) the exercise of the Options in respect of 250,000 Shares granted to Mr Tay Teng Guan Arthur and the Options in respect of 100,000 Shares granted to Mr Tay Teng Hock will not result in them and persons acting in concert with them being obligated to make a mandatory offer under Rule 14 of the Take-over Code.

## **7. FINANCIAL EFFECTS OF THE OPTION SCHEME**

Details of the costs to the Company of granting Options under the Option Scheme and the allotment and issue of the New Shares (as defined in the Rules) would be as follows:

### **7.1. Share Capital**

The Option Scheme will result in an increase in the number of issued Shares of the Company to the extent that New Shares are allotted and issued upon the exercise of the Options. This number of New Shares issued will in turn depend on, *inter alia*, the number of Shares comprised in the Options granted, the number of Options that are vested, the prevailing Market Price of the Shares on the SGX-ST, and whether the Company chooses to deliver Treasury Shares to holders of Options in lieu of New Shares. As such, there would be no impact on the number of issued Shares of the Company if the relevant Options are not exercised or if Treasury Shares are delivered to Option Holders in lieu of New Shares.

### **7.2. Earnings Per Share (“EPS”)**

The Option Scheme will have a dilutive impact on the Company’s consolidated EPS following the increase in the number of issued Shares of the Company to the extent that New Shares are allotted and issued pursuant thereto.

However, the impact arising from the Option Scheme on the Company’s consolidated EPS is not expected to be material in any given financial year.

### **7.3. Net tangible assets of the Group (“NTA”)**

The issue of New Shares upon the exercise of the Options will increase the Company’s consolidated NTA by the aggregate Exercise Price of the New Shares issued. On a per Share basis, the effect on the NTA of the Company is accretive if the Exercise Price is above the NTA per Share but dilutive otherwise.

### **7.4. Potential Cost of Options**

Any Options granted under the Option Scheme would have a fair value. In the event that such Options are granted at prices below the fair value of the Options, there will be a cost to the Company. The amounts of such costs may be more significant in the case of Options granted with Exercise Prices set at a discount to the Market Price of the Shares. In addition to the impact on the Company’s consolidated EPS and consolidated NTA as described above, the cost to the Company of granting Options under the Scheme would be as follows:–

- (a) the exercise of an Option at the Exercise Price would translate into a reduction of the proceeds from the exercise of such Option, as compared to the proceeds that the Company would have received from such exercise had the exercise been made at the prevailing market price of the Shares. Such reduction of the exercise proceeds would represent the monetary cost to the Company; and

- (b) the grant of Options under the Option Scheme will have an impact on the Company's reported profit under Financial Reporting Standard as share-based payment requires the recognition of an expense in respect of Options granted under the Scheme. The expense will be based on the fair value of the Options at the Date of Grant (as determined by an option pricing model) and will be recognised over the vesting period.

It should be noted that the financial effects discussed in Section 7.4(a) above will materialise only upon the exercise of the relevant Options. The cost of granting Options discussed in Section 7.4(b) above will be recognised in the financial statements even if the Options are not exercised.

## **8. THE PROPOSED CHANGE OF AUDITOR**

### **8.1. Background**

Resolution 6 in the Notice of the Twenty-Seventh AGM is to appoint RSM Chio Lim LLP as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, and to authorise the Directors to fix their remuneration.

### **8.2. Rationale**

Ernst & Young LLP has served as the external Auditor of the Company since 29 April 2011. Under Rule 713 of the Listing Manual, the audit partner must not be in charge of more than 5 consecutive audits for a full financial year. Accordingly, there have been two audit partners in charge of the audit of the Company, with each audit partner being in charge for 5 consecutive audits of the Company for a full financial year. If Ernst & Young LLP were to continue to serve as the external Auditor of the Company, the audit partner in charge would have to be changed for the financial year ending 31 December 2021. As part of ongoing good corporate governance initiatives, the Directors are of the view that it would be timely to effect a change of external Auditor with effect from the financial year ending 31 December 2021. Ernst & Young LLP, the retiring Auditor, will not be seeking re-appointment at the forthcoming Twenty-Seventh AGM.

RSM Chio Lim LLP was selected for the proposed appointment after the Audit Committee ("AC") invited and evaluated competitive proposals from various audit firms. The AC reviewed and deliberated on the proposals received from each of the audit firms, taking into consideration the Audit Quality Indicators Disclosure Framework introduced by the Accounting and Corporate Regulatory Authority ("ACRA"), including factors such as the adequacy of the resources and experiences of the audit firm to be selected and the audit partner-in-charge to be assigned to the audit, the audit firm's other engagements, the size and complexity of the Group, and the number and experience of supervisory and professional staff to be assigned to the audit. After evaluation, the AC recommended that RSM Chio Lim LLP be selected for the proposed appointment with effect from the financial year ending 31 December 2021. The scope of audit services to be provided by RSM Chio Lim LLP will be comparable to those currently provided by Ernst & Young LLP. The Directors have taken into account the AC's recommendation, including the factors considered in their evaluation, and are satisfied that RSM Chio Lim LLP will be able to meet the audit requirements of the Company under Rule 712 of the Listing Manual.

In accordance with the requirements of Rule 715 of the Listing Manual, RSM Chio Lim LLP will be engaged to audit the financial statements of the Company, and its Singapore incorporated subsidiaries. A member firm of RSM International, of which RSM Chio Lim LLP in Singapore is a member, will be engaged to audit the financial statements of 4 out of the 5 foreign-incorporated subsidiaries of the Company. The remaining foreign-incorporated subsidiary of the Company is not subject to audit requirements under Chinese law as it is dormant. The Board and the AC have assessed various factors, including the experience of the relevant member firm of RSM International and the size of the Company's foreign-incorporated subsidiaries, and are of the opinion that the member firm of RSM International,

of which RSM Chio Lim LLP in Singapore is a member, is a suitable accounting firm for its foreign-incorporated subsidiaries. As at the Latest Practicable Date, the Company has no Singapore-incorporated associated companies and has no foreign-incorporated associated companies.

### 8.3. Information on RSM Chio Lim LLP and the Audit Partner-In-Charge

#### (a) About RSM Chio Lim LLP

RSM Chio Lim LLP is part of the international RSM network of independent public accounting firms providing assurance, tax and business advisory services. The international RSM network has over 820 offices worldwide and over 48,000 global staff strength. It is the 6<sup>th</sup> largest global provider of audit, tax and accounting services, and each line of service is staffed with highly qualified and experienced professionals. RSM Chio Lim LLP has experience carrying out audit on companies with broadly similar business activities to the Group.

With a total staff strength of over 90 partners/directors and over 950 and 260 staff in Singapore and China respectively, RSM Chio Lim LLP is ranked the largest accounting and business advisory group outside the big four accounting firms in Singapore. It is also registered with the Public Company Accounting Oversight Board (PCAOB).

RSM Chio Lim is approved under the Accountants Act (Chapter 2) of Singapore (“**Accountants Act**”).

For more information about RSM Chio Lim LLP, its core values and services, please visit RSM Chio Lim LLP’s website at – <https://www.rsm.global/singapore/>.

#### (b) About the audit partner-in-charge

For the purposes of the audit of the Group, the Group audit engagement team of RSM Chio Lim LLP in Singapore will comprise a team of 5 audit professionals. In addition, the audit of the Group will also be reviewed by an audit engagement quality control review partner.

The audit partner-in-charge who will be in charge of the audit is Mr Naveen Sasidaran (“**Mr Naveen**”). Mr Naveen is a practising member of the Institute of Singapore Chartered Accountants and a public accountant under the Accountants Act, and has more than 14 years of experience in providing audit services to a variety of clients. His professional experience includes providing audit and assurance services to public companies listed on the Singapore Exchange, subsidiaries of multinational corporations listed overseas, and large privately held companies. These companies are in various industries such as property development and management, construction, consumer products, logistics, oil and gas, and retail. Mr Naveen’s professional experience in audit includes carrying out audit on companies with broadly similar business activities to the Group.

The Audit Committee considered the Audit Quality Indicators listed in ACRA’s Audit Quality Indicators Disclosure Framework in its selection of RSM Chio Lim LLP as new auditors of the Company.

The audit partner-in-charge has not been subject to a Practice Monitoring Programme review by ACRA.

### 8.4. Confirmations

In accordance with the requirements of Rule 1203(5) of the Listing Manual of the SGX-ST:



- (a) the outgoing Auditor, Ernst & Young LLP, has confirmed that it is not aware of any professional reasons why the new Auditor, RSM Chio Lim LLP, should not accept appointment as Auditor of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing Auditor, Ernst & Young LLP, on accounting treatments within the last 12 months;
- (c) the Company confirms that it is not aware of any circumstances connected with the proposed change of Auditor that should be brought to the attention of the Shareholders;
- (d) the specific reasons for the proposed change of Auditors are disclosed in Section 8.2 above. The outgoing Auditor, Ernst & Young LLP, has confirmed that it will not be seeking re-appointment as Auditor of the Company at the forthcoming Twenty-Seventh AGM;
- (e) the Company confirms that it is or will be in compliance with Rules 712 and 715 of the Listing Manual of the SGX-ST in relation to the appointment of RSM Chio Lim LLP as the Auditor of the Company; and
- (f) the proposed appointment of RSM Chio Lim LLP is not a proposed appointment of an additional auditing firm to meet the SGX-ST's requirements in Rule 712(2A) of the Listing Manual of the SGX-ST.

#### 8.5. **Nomination Notice**

Pursuant to Section 205 of the Companies Act, an unsigned copy of the notice of nomination of the proposed new Auditor dated 23 March 2021 from a Shareholder is attached in Appendix C to this Addendum.

### 9. **APPROVALS AND RESOLUTIONS**

Shareholders' approval for the proposed renewal of the Share Purchase Mandate, the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, the proposed grant of Options to Mr Tay Teng Guan Arthur, a Controlling Shareholder, and Mr Tay Teng Hock, an Associate of a Controlling Shareholder, and the proposed change of Auditor from Ernst & Young LLP to RSM Chio Lim LLP, are sought at the Twenty-Seventh AGM, and the Resolutions relating to these matters are contained in the Notice of the Twenty-Seventh AGM as Resolutions 6, 8, 9, 10, 11, 12, 13, and 14 respectively.

### 10. **DIRECTORS' RECOMMENDATION<sup>2</sup>**

- 10.1. Having considered the rationale for and benefits of the proposed renewal of the Share Purchase Mandate, the Directors are of the opinion that the renewal is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 8 in the Notice of the Twenty-Seventh AGM.
- 10.2. The Directors are all eligible to participate in, and are therefore interested in the Option Scheme. They have, accordingly, abstained from making any recommendations in favour of Resolutions 9, 10, 11, 12, 13 and 14 in relation to the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates

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<sup>2</sup> Please note that a member must appoint the Chairman of the meeting as his/its proxy to vote on his/its behalf at the Twenty-Seventh AGM if such member wishes to exercise his/its voting rights at the Twenty-Seventh AGM.

under the Option Scheme, and the proposed grant of Options to Mr Tay Teng Guan Arthur, a Controlling Shareholder, and Mr Tay Teng Hock, an Associate of a Controlling Shareholder. Save for the Chairman, each Director shall also decline to accept appointment as proxy for Shareholders to vote in respect of each of Resolutions 9, 10, 11, 12, 13 and 14. For the Twenty-Seventh AGM, the Chairman will accept appointment as proxy for Shareholders to vote in respect of Resolutions 9, 10, 11, 12, 13 and 14, provided that the Shareholder concerned has given specific instructions in the relevant proxy form as to voting, or abstentions from voting, in respect of such Resolutions.

- 10.3. The Directors are of the opinion that the proposed appointment of RSM Chio Lim LLP as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 6, being the Resolution relating to the appointment of RSM Chio Lim LLP as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, to be proposed at the Twenty-Seventh AGM.

## 11. ABSTENTION FROM VOTING<sup>3</sup>

Shareholders who are eligible to participate in the Option Scheme shall abstain from voting at the Twenty-Seventh AGM in respect of Resolutions 9, 10, 11, 12, 13 and 14 relating to the Option Scheme set out in the Notice of Twenty-Seventh AGM. Save for the Chairman, they shall also decline to accept appointment as proxy for Shareholders to vote on Resolutions 9, 10, 11, 12, 13 and 14 set out in the Notice of Twenty-Seventh AGM. For the Twenty-Seventh AGM, the Chairman will accept appointment as proxy for Shareholders to vote in respect of Resolutions 9, 10, 11, 12, 13 and 14 relating to the Option Scheme set out in the Notice of Twenty-Seventh AGM, provided that the Shareholder concerned has given specific instructions in the relevant proxy form as to voting, or abstentions from voting, in respect of such Resolutions.

The Controlling Shareholder, Mr Tay Teng Guan Arthur, and his Associate, Mr Tay Teng Hock, who are proposed to receive Options under the Option Scheme, and their associates (including SUTL Global Pte. Ltd.), will abstain from voting at the Twenty-Seventh AGM in respect of Resolutions 9, 10, 11, 12, 13 and 14 relating to the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, and the proposed grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock.

The Directors are all eligible to participate in, and are therefore interested in the Option Scheme. As such, the Directors shall also abstain from voting at the Twenty-Seventh AGM in respect of Resolutions 9, 10, 11, 12, 13 and 14 relating to the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, and the proposed grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock.

The Company will disregard any votes cast by the abovementioned Shareholders and Directors in respect of Resolutions 9, 10, 11, 12, 13 and 14 relating to the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, and the proposed grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock.

## 12. DIRECTORS' RESPONSIBILITY STATEMENT

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<sup>3</sup> Please note that a member must appoint the Chairman of the meeting as his/its proxy to vote on his/its behalf at the Twenty-Seventh AGM if such member wishes to exercise his/its voting rights at the Twenty-Seventh AGM.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the proposed alteration and extension of the Option Scheme, the proposed grant of authority to offer and grant Options at a discount under the Option Scheme, the proposed participation of controlling shareholders and their associates under the Option Scheme, the proposed grant of Options to Mr Tay Teng Guan Arthur and Mr Tay Teng Hock and the proposed change of Auditor, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading. Where information in this Addendum 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 Addendum in its proper form and context.

### 13. DOCUMENTS FOR INSPECTION

Subject to the prevailing laws and guidelines relating to safe distancing measures, the following documents may be inspected at the registered office at #05-00 SUTL House, 100J Pasir Panjang Road, Singapore 118525 during normal business hours from the date of this Addendum to the date of the Twenty-Seventh AGM:

- (a) the Constitution of the Company;
- (b) the signed notice of nomination of the proposed new Auditor dated 23 March 2021; and
- (c) RSM Chio Lim LLP's formal letter of consent to act as Auditor of the Company.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to [investors\\_relations@sutl.com](mailto:investors_relations@sutl.com) to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

Yours faithfully,  
for and on behalf of the Board of Directors of  
**SUTL ENTERPRISE LIMITED**

Tay Teng Guan Arthur  
Executive Director

## APPENDIX A

### RULES OF THE SUTL ENTERPRISE LIMITED SHARE OPTION SCHEME 2011

#### 1. NAME OF THE OPTION SCHEME

The Option Scheme shall be called the “SUTL Enterprise Limited Share Option Scheme 2011”.

#### 2. DEFINITIONS

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

<b>“Associate”</b>	<p>(a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means</p> <p style="margin-left: 40px;">(i) his Immediate Family;</p> <p style="margin-left: 40px;">(ii) the trustee of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</p> <p style="margin-left: 40px;">(iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more; and</p> <p>(b) in relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/ or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.</p>
<b>“Associated Company”</b>	A company in which at least 20% per cent. but not more than 50% per cent. of its shares are held by the Company or the Group and over which the Company has control.
<b>“Board”</b>	The board of Directors of the Company as at the Latest Practicable Date.
<b>“Books Closure Date”</b>	The time and date, to be determined by the Directors, at and on which the Register of Members and Share Transfer Books of the Company will be closed to determine the entitlements to dividends or other distributions or rights of Shareholders.
<b>“CDP”</b>	The Central Depository (Pte) Limited.
<b>“Committee”</b>	The Remuneration Committee of the Company from time to time.
<b>“Companies Act”</b>	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
<b>“Company”</b>	SUTL Enterprise Limited.

<b>“Controlling Shareholder”</b>	A person who (a) holds directly or indirectly 15% or more of the total voting rights in the Company (unless the SGX-ST determines otherwise); or (b) a person who in fact exercises control over the Company, as defined under the Listing Manual.
<b>“CPF”</b>	Central Provident Fund.
<b>“Date of Grant”</b>	In relation to an Option, the date on which the option is granted to a Participant pursuant to the Rules.
<b>“Director”</b>	A person holding office as a director for the time being of the Company.
<b>“Executive Director”</b>	A Director of the Company who performs an executive function within the Company.
<b>“Executive Employee”</b>	A confirmed employee of a Group Company fulfilling an executive role (including any Executive Director) selected by the Committee to participate in the Option Scheme, in accordance with Rule 4.
<b>“Exercise Notice”</b>	Shall have the meaning ascribed to it in Rule 12.1.
<b>“Exercise Period”</b>	The period during which an Option is exercisable in accordance with the Rules.
<b>“Exercise Price”</b>	The price at which an Option Holder shall subscribe for each Share upon the exercise of an Option which shall be the price as determined in accordance with Rule 9, as adjusted in accordance with Rule 10.
<b>“FY”</b>	Financial year ended, or as the case may be, ending 31 December.
<b>“Group”</b>	The Company and its Subsidiaries.
<b>“Group Company”</b>	A company within the Group.
<b>“Group Executive Director”</b>	A Director of a Group Company who performs an executive function.
<b>“Group Non-Executive Director”</b>	A Director of a Group Company who does not perform an executive function, including an independent director.
<b>“Immediate Family”</b>	A person’s spouse, child, adopted child, step-child, sibling and parent, or such other definition as the SGX-ST may from time to time require.
<b>“Incentive Option”</b>	An Option granted with the Exercise Price set at a discount to the Market Price.
<b>“Listing Manual”</b>	The Listing Manual of the SGX-ST, as amended or modified from time to time.
<b>“Market Day”</b>	A day on which the SGX-ST is open for trading in securities.
<b>“Market Price”</b>	The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-

ST for a period of five (5) consecutive Market Days immediately prior to the relevant Date of Grant, provided always that in the case of a Market Day on which the Shares of the Company were not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices.

<b>“Market Price Option”</b>	An Option granted with the Exercise Price set at the Market Price.
<b>“New Shares”</b>	The new Shares which may be allotted and issued from time to time pursuant to the exercise of the Option(s).
<b>“Option”</b>	The right to subscribe for Shares granted or to be granted to an Executive Employee or Group Non-Executive Director pursuant to the Option Scheme and for the time being subsisting.
<b>“Option Holder”</b>	The holder of an Option.
<b>“Option Scheme”</b>	The SUTL Enterprise Limited Share Option Scheme 2011, as the same may be modified or altered from time to time.
<b>“Participant”</b>	Any Executive Employee or Group Non-Executive Director of a Group Company selected by the Committee to participate in the Option Scheme in accordance with Rule 4.
<b>“Record Date”</b>	The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions.
<b>“Rules”</b>	Rules of the SUTL Enterprise Limited Share Option Scheme 2011.
<b>“Securities Account”</b>	The securities account maintained by a Depositor with CDP.
<b>“Shareholders”</b>	The registered holders for the time being of the Shares.
<b>“Shares”</b>	Ordinary shares in the capital of the Company.
<b>“Subsidiary”</b>	A company which is for the time being a subsidiary of the Company as defined by Section 5 of the Companies Act.
<b>“subsidiary holdings”</b>	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.
<b>“SGX-ST”</b>	Singapore Exchange Securities Trading Limited.
<b>“Treasury Shares”</b>	Has the meaning ascribed to it in Section 4 of the Companies Act.
<b>“\$” or “S\$”</b>	Singapore dollars.

2.2. The term “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings

ascribed to it by Section 81SF of the Securities and Futures Act (Chapter 289).

- 2.3. The term "Associate" shall have the meaning ascribed to it by the Listing Manual or any other publication prescribing rules or regulations for corporations admitted to the Official List of the SGX-ST (as modified, supplemented or amended from time to time).
- 2.4. Words importing the singular number shall, where applicable, include the plural number and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.
- 2.5. Any reference to a time of a day in the Option Scheme is a reference to Singapore time.
- 2.6. Any reference in the Option Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Option Scheme shall have the meaning assigned to it under the Companies Act as the case may be.

### **3. OBJECTIVES OF THE OPTION SCHEME**

The Option Scheme will provide an opportunity for Executive Employees and Group Non-Executive Directors who have contributed significantly to the growth and performance of the Group and who satisfy the eligibility criteria as set out in Rule 4 of the Option Scheme, to participate in the equity of the Company.

The Option Scheme is primarily a share incentive option scheme. It recognises the fact that the services of such Executive Employees and Group Non-Executive Directors are important to the success and continued well-being of the Group.

Implementation of the Option Scheme will enable the Group to give recognition to the contributions made by such Executive Employees and Group Non-Executive Directors. At the same time, it will give such Executive Employees and Group Non-Executive Directors an opportunity to have a real and personal direct interest in the Group and will also help to achieve the following positive objectives:

- (a) to serve as an additional method available to the Group for compensating the Executive Employees and Group Non-Executive Directors rather than merely through salaries, directors' fees, salary increments and cash bonuses and to make remuneration sufficiently competitive to recruit and retain Executive Employees and Group Non-Executive Directors;
- (b) to enhance the Group's ability to retain and attract highly qualified Executive Employees and Group Non-Executive Directors whose contributions are important to the Group's long-term business plans and objectives;
- (c) to offer Executive Employees and Group Non-Executive Directors the opportunity to acquire or increase their equity interests in the Company and a chance to share in the profits of the Company by making them shareholders;
- (d) to motivate Executive Employees and Group Non-Executive Directors to maximise their performance and efficiency due to the possible financial rewards arising from the Options granted, and to maintain a high level of contribution to the Group and create value for Shareholders;
- (e) to promote greater commitment and dedication, instill loyalty and a stronger identification by the Executive Employees and Group Non-Executive Directors with the long-term development and growth of the Group;

- (f) to align the interests of the Executive Employees and Group Non-Executive Directors with those of the Company's Shareholders; and
- (g) to give recognition to the contributions made or to be made by the Executive Employees and Group Non-Executive Directors to the success of the Group.

#### **4. ELIGIBILITY**

4.1. The following persons shall be eligible to participate in the Option Scheme at the absolute discretion of the Committee:

- (a) confirmed Executive Employees (including Group Executive Directors); and
- (b) employees who qualify under sub-paragraph (a) above and are seconded to a Subsidiary; and
- (c) Group Non-Executive Directors (including Independent Directors):

Provided that on the Date of Grant, such persons:-

- (i) have attained the age of 21 years; and
- (ii) are not undischarged bankrupts and have not entered into any composition(s) with their respective creditors.

Any Director who is a member of the Committee shall not be involved in the Committee's deliberations and decision in respect of Options to be granted to or held by that Director. As a safeguard against abuse, in respect of Options to be granted to Controlling Shareholders and their Associates and the terms and conditions attached to such Options, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations.

No Option shall be granted to such Controlling Shareholder(s) or their Associates unless his participation in the Option Scheme and the actual number and the terms of the Options to be granted shall have been approved by the independent Shareholders in separate resolutions for each such person. A circular, letter or notice of participation proposing such a resolution should include clear rationale for the proposed participation by such Controlling Shareholders or their Associates. Such circular, letter or notice to Shareholders shall also include a clear rationale for the number and terms (including Exercise Price) of the Options to be granted.

Such Controlling Shareholder and Associate shall abstain from voting on the resolution in relation to his participation in the Option Scheme, the actual number and terms of Options to be granted and the grant of Options to him.

- 4.2. For the purposes of sub-paragraph 4.1(a) above, the secondment of an employee to another Group Company shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time employee of the Group.
- 4.3. There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other Group Companies or by any Associated Company or otherwise.
- 4.4. Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Option Scheme 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 10, the aggregate number of Shares in respect of which Options may be offered to a Participant for subscription in accordance with the Option Scheme shall be determined at the discretion of the Committee who shall take into account, where applicable, criteria such as rank, past performance, years of service and potential contribution of the Participant to the Group as well as the limit imposed by Rule 6. In respect of Options to be granted to Controlling Shareholders and their Associates and the terms and conditions attached to such Options, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberation.

## **6. LIMITATION ON SIZE OF THE OPTION SCHEME**

6.1. The aggregate number of Shares (comprising New Shares issued and issuable in respect of the Options granted under the Option Scheme and/or Treasury Shares delivered in respect of the Options) over which the Committee may grant Options on any date, when added to:

- (a) the aggregate number of Shares issued or issuable in respect of any other share based schemes of the Company (if any); and
- (b) the number of Treasury Shares delivered in respect of the options granted under all other share-based incentive schemes of the Company (if any),

shall not exceed 15.0 per cent. (15%) of the issued Shares (excluding Treasury Shares and subsidiary holdings) of the Company on the date preceding the Date of Grant.

6.2. The aggregate number of Shares over which the Committee may grant Options to the Controlling Shareholders and their Associates under the Option Scheme shall not exceed 25.0 per cent. (25%) of the Shares available under the Option Scheme, provided always that the number of Shares available to each Controlling Shareholder or each of his Associates shall not exceed 10.0 per cent. (10%) of the Shares available under the Option Scheme.

6.3. The number of Shares comprised in the Market Price Options or Incentive Options, as the case may be, to be offered to any Executive Employee in accordance with the Option Scheme shall be determined at the absolute discretion of the Committee, who shall take into account, in respect of the Executive Employee, criteria such as rank, past performance, years of service and potential for future development of that Executive Employee.

## **7. DATE OF GRANT**

7.1. The Committee may, save as provided in Rule 4, Rule 5 and Rule 6, offer to grant Options to such Participants as it may select in its absolute discretion at any time during the period when the Option Scheme is in force, except that no offer of grant of Options shall be made during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements). 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.

7.2. An offer to grant the Option to a Participant shall be made by way of a letter of offer in or substantially in the form set out in [Appendix A1](#), subject to such amendments as the Committee may determine from time to time.

## **8. ACCEPTANCE OF OFFER**

8.1. An Option offered to a Participant pursuant to Rule 7 may only be accepted by the Participant within 30 days after the relevant Date of Grant and not later than 5.00 p.m. on the 30th day from

such Date of Grant (a) by completing, signing and returning to the Company the acceptance form in or substantially in the form set out in Appendix A2, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1.00 as consideration or such other amount and such other documentation as the Committee may require and (b) if, at the date on which the Company receives from the Participant the acceptance form in respect of the Option as aforesaid, he remains eligible to participate in the Option Scheme in accordance with these Rules.

- 8.2. If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, such offer shall, upon the expiry of the 30 day period, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.
- 8.3. The Company shall be entitled to reject any purported acceptance of a grant of an Option made pursuant to this Rule 8 or Exercise Notice given pursuant to Rule 12 which does not strictly comply with the terms of the Option Scheme.
- 8.4. Options are personal to the Participants to whom they are granted and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Participant's duly appointed personal representative as provided in Rule 11.5 in the event of the death of such Participant.
- 8.5. The Participant may accept or refuse the whole or part of the offer. If only part of the offer is accepted, the Participant shall accept the offer in multiples of 100 Shares.
- 8.6. In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and be of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 8.7. Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
  - (a) it is not accepted in the manner as provided in Rule 8.1 within the 30 day period; or
  - (b) the Participant dies prior to his acceptance of the Option; or
  - (c) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
  - (d) the Participant: (i) being an Executive Employee ceases to be in the employment of the Group or, (ii) being a Director, ceases to be a Director of the Company, 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 Participant's acceptance of the Option.

## **9. EXERCISE PRICE**

- 9.1. Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at 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 20.0 per cent. (20%) of the Market Price (or such other percentage or amount as may be determined by the Committee and permitted by the SGX-ST); and

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

In the event that the SGX-ST prescribes or permits a higher percentage of discount, the Company will seek Shareholders' approval for the increase in discount at a general meeting.

- 9.2. In making any determination under Rule 9.1(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 the other Group Companies;
  - (b) the rank and level of responsibility of the Participant;
  - (c) the years of service and individual performance of the Participant;
  - (d) the contribution of the eligible Participant to the success and development of the Company and/or the Group; and
  - (e) the prevailing market conditions.

## 10. ALTERATION OF CAPITAL

- 10.1. If a variation in the issued share capital of the Company (whether by way of a bonus issue or rights issue or reduction, subdivision, consolidation or distribution, or otherwise howsoever) should take place, then:
- (a) the Exercise Price in respect of the Shares comprised in the Options to the extent unexercised and the rights attached thereto; and/or
  - (b) the class and/or number of Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
  - (c) the class and/or number of Shares in respect of which additional Options may be granted to Option Holders,

may be adjusted in such manner as the Committee may determine to be appropriate including but not limited to retrospective adjustments where such variation occurs after the date of exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a bonus 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.

- 10.2. Notwithstanding the provisions of Rule 10.1 above, no such adjustment shall be made (a) if as a result, the Option Holder receives a benefit that a Shareholder does not receive; and (b) unless the Committee after considering all relevant circumstances considers it equitable to do so.
- 10.3. The issue of securities as consideration for an acquisition of any assets by the Company or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Listing Manual, undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by the Shareholders (including any renewal of such mandate) is in force, will not be regarded as a circumstance requiring adjustment under the provisions of Rule 10 of the Option Scheme.
- 10.4. The restriction on the number of Shares to be offered to any Participant under Rule 5 above, shall not apply to the number of additional Shares or Options over additional Shares issued by virtue of any adjustment to the number of Shares and/or Options pursuant to this Rule 10.

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

## 11. EXERCISE PERIOD

- 11.1. Options granted with the Exercise Price set at Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by an Option Holder after the first anniversary of the Date of Grant of that Option, provided always that the Options (other than Options granted to Group Non-Executive Directors) shall be exercised before the tenth (10<sup>th</sup>) anniversary of the relevant Date of Grant and Options granted to Group Non-Executive Directors before the fifth (5<sup>th</sup>) anniversary of the relevant Date of Grant, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and an Option Holder shall have no claim against the Company.
- 11.2. Options granted with the Exercise Price set at a discount to Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by an Option Holder after the second anniversary from the Date of Grant of that Option, provided always that the Options (other than the Options granted to Group Non-Executive Directors) shall be exercised before the tenth (10<sup>th</sup>) anniversary of the relevant Date of Grant and Options granted to Group Non-Executive Directors shall be exercised before the fifth (5<sup>th</sup>) anniversary of the relevant Date of Grant, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and an Option Holder shall have no claim against the Company.
- 11.3. An Option shall, to the extent unexercised, immediately lapse and become null and void and a Option Holder shall have no claim against the Company:
- (a) subject to Rules 11.3, 11.4, 11.5 and 11.6, upon the Option Holder ceasing to be in the an employee or a Director of the Company or any of the companies within the Group (as the case may be) for any reason whatsoever; or
  - (b) upon the bankruptcy of the Option Holder or the happening of any other event which result 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 Option Holder, as determined by the Committee in its absolute discretion.

For the purpose of Rule 11.3(a), an Option Holder 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. For the avoidance of doubt, no option shall lapse pursuant to Rule 11.3(a) in the event of any transfer of employment of an Option Holder within the Group or upon the cessation of employment of a Group Executive Director who shall continue to serve as a Group Non-Executive Director.

- 11.4. If an Option Holder ceases to be employed by a Group Company or a Group Non-Executive Director ceases to be a Director of a Group Company by reason of his:
- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
  - (b) redundancy;
  - (c) retirement at or after a normal retirement age;

- (d) retirement before that age with the consent of the Committee; or
- (e) or for any other reason approved in writing by the Committee,

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

- 11.5. If an Option Holder dies and at the date of his death holds any unexercised Options, such Options may, at the absolute discretion of the Committee, be exercised by the duly appointed legal personal representatives of the Option Holder within the relevant Exercise Period and upon the expiry of such period, the Options shall immediately lapse and become null and void.
- 11.6. If an Option Holder, who is also an Executive Director, ceases to be a Director for any reason whatsoever, but remains an employee of a Group Company he may, at the absolute discretion of the Committee, exercise any unexercised Options held by him within the relevant Exercise Period and upon the expiry of such period, the Options shall immediately lapse and become null and void.

## 12. EXERCISE OF OPTION(S), ALLOTMENT AND LISTING OF SHARES

- 12.1. An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), by an Option Holder giving notice in writing to the Company in or substantially in the form set out in Appendix A3 (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 said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

### 12.2. Subject to:

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

the Company shall, as soon as practicable after the exercise of an Option by an Option Holder but in any event within 10 Market Days after the date of the exercise of the Option in accordance with Rule 12.1, issue and allot and/or transfer the Shares in respect of which such Option has been exercised by the Option Holder and deliver the relevant share certificates to CDP for the credit of the Securities Account of that Option Holder by ordinary post or such other mode of delivery as the Committee may deem fit.

- 12.3. The Company shall, if necessary, as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares are quoted or listed 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 Option Holder pursuant to any adjustments made in accordance with Rule 10.
- 12.4. Shares which are all allotted on the exercise of an Option by a Option Holder shall be issued, as the Option Holder may elect, in the name of CDP to the credit of the Securities Account of the Option Holder maintained with CDP or the Option Holder’s securities sub-account with a CDP Depository Agent.

- 12.5. Shares issued and allotted or Treasury Shares which are transferred upon the exercise of an Option shall be subject to all provisions of the Constitution 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 dividends, rights (including voting rights), allotments or other distributions, the Record Date for which falls prior to the date of issue or transfer (as the case may be) of the said Shares.
- 12.6. Except as set out in Rule 12.2 and subject to Rule 10, an Option does not confer on an Option Holder any right to participate in any new issue of Shares.

### **13. MODIFICATIONS TO THE OPTION SCHEME**

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

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

- 13.2. Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Option Scheme in any way to the extent necessary to cause the Option Scheme to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13.3. Written notice of any modification or alteration made in accordance with this Rule 13 shall be given to all Option Holders.

### **14. DURATION OF THE OPTION SCHEME**

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

## 15. TAKE-OVER AND WINDING UP OF THE COMPANY

15.1. In the event of a take-over offer being made for the Company, Option Holders (including Option Holders holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and 11.2) holding Options as yet unexercised shall, notwithstanding Rule 11 and Rule 12 but subject to Rule 15.5, be entitled to exercise such Options in full or in part in the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which the 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 (6) 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 (being a date falling not later than the date of expiry of the Option Period relating thereto); or
- (b) the date of the expiry of the Option Period relating thereto,

whereupon any Option then remaining unexercised shall immediately 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 Companies Act and, being entitled to do so, gives notice to the Option Holders that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Option Holders until 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 11.3, 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 company or companies, Option Holders (including Option Holders holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and 11.2) shall notwithstanding Rule 11 and Rule 12 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 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 tenth anniversary of the Date of Grant.

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, at the date of such order or resolution shall lapse and become null and void.

15.4. In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily windup the Company, the Company shall on the same date or soon after it despatches such notice to each member of the Company give notice thereof to all Option Holders (together with a notice of the existence of the provisions of this Rule 15.4) and thereupon, each Option Holders (or his or her legal personal representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two (2) business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant

Shares to the Option Holders credited as fully paid.

- 15.5. If in connection with the making of a general offer referred to in Rule 15.1 above or the scheme referred to in Rule 15.2 above or the 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 Option Holders, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Option Holder 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. 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. ADMINISTRATION OF THE OPTION SCHEME**

- 16.1. The Option Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board. In respect of Options to be granted to Controlling Shareholders and their Associates and the terms and conditions attached to such Options, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations.
- 16.2. The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with the Option Scheme) for the implementation and administration of the Option Scheme as it thinks fit.
- 16.3. Any decision of the Committee, made pursuant to any provision of the Option Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to the interpretation of the Option Scheme or any rule, regulation, or procedure thereunder or as to any rights under the Option Scheme).
- 16.4. A Director who is a member of the Committee shall not be involved in its deliberation in respect of Options to be granted to him.

## **17. NOTICES**

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

## **18. TERMS OF EMPLOYMENT UNAFFECTED**

- 18.1. The Option Scheme or any Option shall not form part of any contract of employment between the Company or any Group Company and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Option Scheme or any right which he may have to participate in it or any Option which he may hold and the Option Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.
- 18.2. The Option Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against any Group Company directly or indirectly or give rise to any cause of action at law or in equity against any Group Company.



## 19. TAXES

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

## 20. COSTS AND EXPENSES OF THE OPTION SCHEME

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

## 21. CONDITION OF OPTION

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

## 22. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained and subject to the Companies 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 Option Scheme including but not limited to the Company's delay in allotting and issuing and/or transferring the Shares or in applying for or procuring the listing of the Shares on the SGX-ST.

## 23. DISCLOSURES

- 23.1. In accordance with the Listing Manual, the Company shall, on any grant of Option(s) make an announcement providing details of the grant, including the date of grant, exercise price of Option(s) granted, number of Option(s) granted, market price of its securities on the date of grant, number of Option(s) granted to directors and controlling shareholders (and their associates), if any, and validity period of the Option(s).
- 23.2. The Company shall make the following disclosure in its annual report:
- (a) The names of the members of the Committee administering the Option Scheme;
  - (b) The information required in the table below for the following Participants (which for the avoidance of doubt, shall include Participants who have exercised all their Options in any particular FY):
    - (i) Participants who are Directors of the Company; and
    - (ii) Participants who are Controlling Shareholders of the issuer and their Associates; and

- (iii) Participants, other than those in (i) and (ii) who receive five per cent. (5%) or more of the total number of Options available under the Option Scheme.

Name of Participant	Options granted during FY under review (including terms)	Aggregate Options granted since commencement of the Option Scheme to end of FY under review	Aggregate Options exercised since commencement of the Option Scheme to end of FY under review	Aggregate Options outstanding as at end of FY under review
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- (c) The number and proportion of Options granted at the following discounts to the relevant Market Price of the Shares in the FY under review:
- (i) Options granted at up to 10.0 per cent. (10%) discount; and
- (ii) Options granted at between 10.0 per cent. (10%) but not more than 20.0 per cent. (20%) discount.
- (d)
- (i) The names of and number and terms of options granted to each director or employee of the parent company and its subsidiaries who receives 5% or more of the total number of options available to all directors and employees of the parent company and its subsidiaries under the Option Scheme, during the FY under review; and
- (ii) The aggregate number of options granted to the directors and employees of the parent company and its subsidiaries for the FY under review, and since the commencement of the Option Scheme to the end of the FY under review.

If any of the disclosure above in the foregoing of this Rule 23.2 is not applicable, an appropriate negative statement will be included in the annual report.

#### **24. ABSTENTION FROM VOTING**

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

#### **25. SHAREHOLDERS' APPROVAL**

The participation of each Controlling Shareholder and each of his Associates must be specifically approved by independent Shareholders in separate resolutions for each such person. Each grant of Options (including the actual number and the terms of the Options to be granted) to a Controlling Shareholder or his Associates must be specifically approved by independent Shareholders in separate resolutions for each such grant of Options.

#### **26. 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.

#### **27. GOVERNING LAW**

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

**APPENDIX A1 - LETTER OF OFFER**

Serial No: \_\_\_\_\_

**PRIVATE AND CONFIDENTIAL**

Date: \_\_\_\_\_

To: [Name]  
[Designation]  
[Address]

Dear Sir/Madam

**SUTL ENTERPRISE LIMITED SHARE OPTION SCHEME 2011**

1. We have the pleasure of informing you that, pursuant to the SUTL Enterprise Limited Share Option Scheme 2011 ("**Option Scheme**"), you have been nominated to participate in the Option Scheme by the Committee (the "**Committee**") appointed by the Board of Directors of SUTL Enterprise Limited (the "**Company**") to administer the Option Scheme. Terms as defined in the Option Scheme shall have the same meaning when used in this letter.
2. Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you an option (the "**Option**"), to subscribe for and be allotted \_\_\_\_\_ Shares at the price of S\_\_\_\_\_ for each Share.
3. 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.
4. The Option shall be subject to the terms of the Option Scheme, a copy of which is available for inspection at the business address of the Company.
5. If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form with a sum of S\$1.00 not later than \_\_\_\_\_ on \_\_\_\_\_, failing which this offer will lapse.

Yours faithfully,  
For and on behalf of  
SUTL Enterprise Limited

Name:  
Designation:

**APPENDIX A2 - ACCEPTANCE FORM**

Serial No: \_\_\_\_\_

**PRIVATE & CONFIDENTIAL**

Date: \_\_\_\_\_

To: The Committee  
 SUTL Enterprise Limited Share Option Scheme 2011  
 SUTL Enterprise Limited  
 100J Pasir Panjang Road  
 #05-00 SUTL House  
 Singapore 118525

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 Option Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

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

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

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

I agree to keep all information pertaining to the grant of the Option to me confidential.

I further acknowledge that you have not made any representation or warranty or given me any expectation of employment or continued employment to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitutes the entire agreement between us relating to the offer.

I also understand that I shall be responsible for all the fees of CDP relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP or my securities sub-account with a CDP Depository Agent (as the case may be) (collectively, the "**CDP charges**").

**I confirm that as of the date hereof, I satisfy the requirements to participate in the Option Scheme as set out in the Rules of the Option Scheme.**

**Please print in block letters**

Name in full : \_\_\_\_\_

Designation : \_\_\_\_\_

Address : \_\_\_\_\_

Nationality : \_\_\_\_\_

\*NRIC/Passport No. : \_\_\_\_\_

Signature : \_\_\_\_\_

Date : \_\_\_\_\_

\*Delete as appropriate

**Notes:**

1. Option must be accepted in full or in multiples of 100 Shares.
2. This Acceptance Form must be addressed to The Committee, SUTL Enterprise Limited Share Option Scheme 2011 in a sealed envelope marked "Private and Confidential".
3. The Option Holder shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of an Option.

**APPENDIX A3 - EXERCISE NOTE****PRIVATE AND CONFIDENTIAL**

To: The Committee  
 SUTL Enterprise Limited Share Option Scheme 2011  
 SUTL Enterprise Limited  
 100J Pasir Panjang Road  
 #05-00 SUTL House Singapore 118525

Total number of ordinary shares ("**Shares**") : \_\_\_\_\_  
 at S\$ \_\_\_\_\_ per Share under  
 an Option granted on \_\_\_\_\_  
 ("**Date of Grant**")

Number of Shares previously allotted and : \_\_\_\_\_  
 issued thereunder

Outstanding balance of Shares which may : \_\_\_\_\_  
 be allotted and issued thereunder

Number of Shares now to be subscribed : \_\_\_\_\_  
 (in multiples of 100)

1. Pursuant to your Letter of Offer dated \_\_\_\_\_ and my acceptance thereof, I hereby exercise the Option to subscribe for \_\_\_\_\_ Shares in SUTL Enterprise Limited (the "**Company**") at S\$ \_\_\_\_\_ for each Share.

2. I hereby request the Company to allot and issue to me the number of Shares specified in paragraph 1 in the name of The Central Depository (Pte) Limited ("**CDP**") to the credit of my \*Securities Account with CDP/\*Securities Sub-Account with a CDP Depository Agent specified below and to deliver the share certificate(s) relating thereto CDP at my own risk. I further agree to bear such fees or other charges as may be imposed by CDP (the "**CDP charges**") and any stamp duties in respect thereof:

\*(a) Direct Securities Account Number : \_\_\_\_\_

(b) Securities Sub-Account Number : \_\_\_\_\_

(c) Name of CDP Depository Agent : \_\_\_\_\_

3. I enclose a \*cheque/cashier's order/bank draft/postal order no. \_\_\_\_\_ for S\$ \_\_\_\_\_ in payment for the subscription of the total number of the said Shares and the CDP charges of S\$ \_\_\_\_\_.

4. I agree to subscribe for the Shares subject to the terms of the Letter of Offer, the SUTL Enterprise Limited Share Option Scheme 2011 (as the same may be amended or modified pursuant to the terms thereof from time to time) and the Constitution of the Company.

I declare that I am subscribing for the Shares for myself and not as a nominee for any other person.

**Please print in block letters**

Name in full : \_\_\_\_\_

Designation : \_\_\_\_\_  
Address : \_\_\_\_\_  
Nationality : \_\_\_\_\_  
\*NRIC/Passport No. : \_\_\_\_\_  
Signature : \_\_\_\_\_  
Date : \_\_\_\_\_

\*Delete as appropriate

**Notes:**

1. An Option may be exercised in whole or in part provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof.
2. This Exercise Notice must be forwarded to The Committee, SUTL Enterprise Limited Share Option Scheme 2011 in a sealed envelope marked "Private and Confidential".



**APPENDIX B****GUIDELINES ON SHARE PURCHASES****1. SHAREHOLDERS' APPROVAL**

- 1.1 Purchases of Shares by the Company must be approved in advance by the Shareholders in a general meeting of the Company, by way of a general mandate.
- 1.2 The Share Purchase Mandate authorising the purchase of Shares by the Company will expire at the earliest of:
  - (a) the date on which the next annual general meeting (“**AGM**”) of the Company is or is required by law to be held, whichever is the earlier;
  - (b) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent authorised under the Share Purchase Mandate; or
  - (c) the effective date on which the authority conferred in the Share Purchase Mandate is varied (as to the duration of the Share Purchase Mandate) or revoked by the Shareholders in general meeting.
- 1.3 The authority conferred on the Directors by the Share Purchase Mandate to purchase Shares may be renewed at each AGM or other general meeting of the Company. The Directors may delegate all or part of such authority (including the determination of the purchase price to be paid per Share) upon such terms and conditions as they may at their absolute discretion think fit, but at all times in accordance with the Constitution of the Company.
- 1.4 The number of Shares which can be purchased pursuant to the proposed Share Purchase Mandate is such number of Shares which represents up to a maximum of ten (10) per cent. of the total number of issued Shares (excluding any Shares held as treasury shares or which comprise subsidiary holdings) as at the date on which the resolution authorising the same is passed, unless the Company has effected a reduction of the share capital of the Company in which event the number of issued ordinary shares of the Company shall be taken to be the number of the issued ordinary shares of the Company as altered (excluding any Shares held as treasury shares or which comprise subsidiary holdings).
- 1.5 Purchases of Shares can be effected by the Company only in either one of the following two ways or both:-
  - (a) by way of Market Purchases. Market Purchases means purchases of Shares transacted through the SGX-ST trading system; or
  - (b) by way of Off-Market Purchases. The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the Constitution of the Company and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an Off-Market Purchase scheme or schemes. The Off-Market Purchase scheme must, however, satisfy all the following conditions:
    - (ii) the offers for the purchase or acquisition of Shares under the scheme shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

- (iii) all of those persons shall be given a reasonable opportunity to accept the offer made to them; and
- (iv) the terms of all the offers are the same (except that there shall be disregarded differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements and different amounts remaining unpaid, and differences in the offers introduced solely to ensure that each person is left with a whole number of Shares).

## 2. FUNDING OF SHARE PURCHASES

- 2.1 In purchasing Shares, the Company may only apply funds legally available for such purchase in accordance with its Constitution and the applicable laws in Singapore.
- 2.2 The Company may not purchase its Shares for a consideration other than cash or, in the case of Market Purchases, for settlement otherwise than in accordance with the trading rules of the SGX-ST.
- 2.3 The Company may purchase or acquire its Shares out of the Company's capital or distributable profits so long as the Company is solvent. For this purpose, pursuant to the Companies Act, a company is solvent if at the date of payment the following conditions are satisfied:
  - (a) there is no ground on which the company could be found to be unable to pay its debts;
  - (b) if —
    - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
    - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
  - (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).
- 2.4 The Directors shall not exercise the Share Purchase Mandate to such an extent as would have a material adverse effect on the working capital requirements of the Group or the gearing levels which are from time to time, in the opinion of the Directors, appropriate for the Group.

## 3. TRADING RESTRICTIONS

- 3.1 The Company will not effect a Share purchase such that the continuing shareholding spread requirement prescribed by the Listing Manual of the SGX-ST which are in force at the time of the intended Share purchase cannot be maintained after the purchase.
- 3.2 The Directors will use their best efforts to ensure that any Share purchases will not affect the listing of the Shares on the SGX-ST.

#### 4. OFF-MARKET PURCHASE SCHEME

For purchases of Shares to be made by way of an Off-Market Purchase scheme, the Company shall issue an offer document to all Shareholders. The offer document shall contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share purchase;
- (d) the consequences, if any, of the Share purchase by the Company that will arise under the Singapore Code on Take-overs and Mergers or any other applicable take-over rules;
- (e) whether the Share purchase, if made, will have any effect on the listing of the Shares on the SGX-ST;
- (f) details of any Share purchases made by the Company in the previous twelve (12) months whether Market Purchases or Off-Market Purchase schemes, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

#### 5. PRICE RESTRICTIONS

The purchase price (excluding ancillary expenses such as related brokerage, goods and services tax, stamp duties and clearance fees) to be paid for a Share will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed the Maximum Price.

#### 6. STATUS OF PURCHASED SHARES

- 6.1 All Shares which are purchased or acquired by the Company shall be held by the Company as treasury shares which may be used for the purpose stated in the Companies Act, unless the Company elects that such Shares shall be cancelled immediately on the purchase or acquisition.
- 6.2 Any Shares purchased or acquired by the Company and cancelled will be automatically delisted by the SGX-ST.
- 6.3 Certificates in respect of purchased or acquired Shares that are cancelled by the Company will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any purchase or acquisition of such Shares.

#### 7. REPORTING REQUIREMENTS

- 7.1 Within thirty (30) days of the passing of a Shareholders' resolution to approve purchases of Shares by the Company, the Company shall lodge a copy of such resolution with the Accounting and Corporate Regulatory Authority.
- 7.2 The Company shall notify the Accounting and Corporate Regulatory Authority within thirty (30) days of a purchase of Shares. Such notification shall include details of the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the purchase of Shares, the Company's issued share capital after the purchase of Shares, the amount of consideration paid by the Company for the purchase of Shares, whether the Shares were purchased out of profits or the capital of the Company and such other particulars as may be required in the prescribed form.
- 7.3 The Company shall notify the SGX-ST of Market Purchases of Shares not later than 9.00 a.m. on the market day following the day on which the Market Purchases were effected, and shall notify the SGX-ST of Off-Market Purchases not later than 9.00 a.m. on the second market day after the close of acceptances of the offer for Off-Market Purchases. The notification of such purchases of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe.
- 7.4 The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the aforesaid notifications to the SGX-ST.
- 7.5 When seeking the approval of Shareholders for the renewal of the Share Purchase Mandate, the Company is required to disclose details pertaining to purchases of Shares made by the Company during the previous twelve (12) months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases.

## 8. SUSPENSION OF PURCHASES

- 8.1 Share purchases are prohibited after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been publicly announced.
- 8.2 In particular, the Company may not purchase its Shares on the SGX-ST during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), and ending on the date of announcement of the relevant results.

## APPENDIX C

## Notice of Nomination of the proposed new Auditor

**SUTL Global Pte. Ltd.**

Co Reg No. 200209133W

100J Pasir Panjang Road  
#05-00 SUTL House  
Singapore 118525T (65) 6278 8555  
F (65) 6273 3555  
[www.sutl.com](http://www.sutl.com)

23 March 2021

**The Board of Directors**  
**SUTL Enterprise Limited**  
100J Pasir Panjang Road  
#05-00 SUTL House  
Singapore 118525

Dear Sirs

**NOTICE OF NOMINATION**

Pursuant to the provisions of Section 205 of the Companies Act, Chapter 50, we, SUTL Global Pte. Ltd., in our capacity as a member of SUTL Enterprise Limited (the "**Company**"), hereby give notice of our nomination of RSM Chio Lim LLP of 8 Wilkie Road, #03-08 Wilkie Edge, Singapore 228095 for appointment as Auditors of the Company in place of the retiring Auditors, Ernest & Young LLP of 1 Raffles Quay, #18-01, Singapore 048583 at the forthcoming Annual General Meeting of the Company to be held by electronic means on 28 April 2021 or at any adjournment thereof.

Yours faithfully

Mr Tay Teng Guan, Arthur  
For and on behalf of  
**SUTL Global Pte. Ltd.**  
Member, SUTL Enterprise Limited