

CIRCULAR DATED 6 APRIL 2022

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

This Circular is issued by Hanwell Holdings Limited (the “Company”). If you are in any doubt about the contents of this Circular or the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or any other professional adviser immediately.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section titled “Definitions”.

If you have sold or transferred all your ordinary shares (the “Shares”) in the capital of the Company held through The Central Depository (Pte) Limited (the “CDP”), you should immediately inform the purchaser or transferee, or the bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular, together with the Notice of EGM and the accompanying Proxy Form, may be accessed via SGXNet.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

PRINTED COPIES OF THIS CIRCULAR WILL NOT BE SENT TO SHAREHOLDERS. Instead, this Circular, together with the Notice of EGM and the accompanying Proxy Form, have been made available on the Company’s website at <https://www.hanwell.com.sg> by clicking under the Investor Relations tab and the SGXNET.

Due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19, Shareholders will not be able to attend the extraordinary general meeting (the “EGM”) in person. The proceedings of the EGM will be conducted wholly by way of electronic means. Please refer to section 10 of this Circular for further information, including the steps to be taken by Shareholders to participate in the EGM. Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change its EGM arrangements at short notice. Shareholders should check the Company’s website at <https://www.hanwell.com.sg> by clicking under the Investor Relations tab and the SGXNET for the latest updates on the status of the EGM, if any.

HANWELL HOLDINGS LIMITED

(Company Registration No. 197400888M)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

- (1) THE PROPOSED CHANGE OF NAME OF THE COMPANY TO
“PSC CORPORATION LTD.”**
- (2) THE PROPOSED ADOPTION OF A NEW SHARE BUY-BACK MANDATE**
- (3) THE PROPOSED ADOPTION OF THE PSC EMPLOYEE RESTRICTED
SHARE PLAN 2022**

IMPORTANT DATES AND TIMES

| | | |
|---|---|--|
| Last date and time to pre-register online to attend the EGM | : | 25 April 2022 at 2.30 p.m. |
| Last date and time for lodgement of Proxy Form | : | 25 April 2022 at 2.30 p.m. |
| Date and time of the EGM | : | 28 April 2022 at 2.30 p.m. (or as soon as reasonably practicable after the conclusion or adjournment of the AGM 2022 of the Company to be held on the same day at 2.00 p.m.) |
| Place of the EGM | : | Held by electronic means (Please refer to Sections 10.2 of this Circular and the notes to the Notice of EGM dated 6 April 2022 for further details.) |

This page has been intentionally left blank.

CONTENTS

| | PAGE |
|---|------|
| DEFINITIONS | 2 |
| CIRCULAR TO SHAREHOLDERS | 8 |
| 1. INTRODUCTION | 8 |
| 2. THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “PSC CORPORATION LTD.” | 9 |
| 3. THE PROPOSED ADOPTION OF A NEW SHARE BUY-BACK MANDATE | 10 |
| 4. THE PROPOSED ADOPTION OF THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022 | 27 |
| 5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS | 35 |
| 6. DIRECTORS’ RECOMMENDATIONS | 37 |
| 7. ABSTENTIONS FROM VOTING | 37 |
| 8. EXTRAORDINARY GENERAL MEETING | 37 |
| 9. ACTION TO BE TAKEN BY SHAREHOLDERS | 37 |
| 10. DIRECTORS’ RESPONSIBILITY STATEMENT | 39 |
| 11. INSPECTION OF DOCUMENTS | 39 |
| APPENDIX 1 – THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022 | 40 |

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout the Circular:

| | | |
|-----------------------------|---|--|
| “ACRA” | : | Accounting and Corporate Regulatory Authority of Singapore |
| “AGM” | : | Annual general meeting of the Company |
| “AGM 2021” | : | The annual general meeting of the Company to be held on 29 April 2021 |
| “AGM 2022” | : | The annual general meeting of the Company to be held on 28 April 2022 |
| “Annual Report” | : | The Group’s annual report for the financial year ended 31 December 2021 |
| “Associate” | : | (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more |
| “Associated Company” | : | A company in which at least twenty per cent. (20%) but not more than fifty per cent. (50%) of its shares are held by the Company or the Group and over which the Company has control |
| “Award” | : | A contingent award of Shares granted under the PSC Employee Restricted Share Plan 2022 |
| “Board” | : | The board of directors of the Company as at the date of this Circular |

DEFINITIONS

| | | |
|----------------------------------|---|--|
| “CDP” | : | The Central Depository (Pte) Limited |
| “Circular” | : | This circular to Shareholders dated 6 April 2022 in relation to the Proposed Corporate Actions |
| “Committee” | : | The committee comprising Directors of the Company, duly authorised, appointed and nominated by the Board to administer the PSC Employee Restricted Share Plan 2022 |
| “Company” | : | Hanwell Holdings Limited |
| “Companies Act” | : | The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time |
| “Constitution” | : | The constitution of the Company, as amended, modified or supplemented from time to time |
| “Controlling Shareholder” | : | A person who (a) holds directly or indirectly 15% or more of the total number of all issued Shares (excluding Treasury Shares and subsidiary holdings) in the Company (unless the SGX-ST determines that such a person is not a controlling shareholder of the Company); or (b) in fact exercises control over the Company, as defined under the Listing Manual. |
| “CPF” | : | Central Provident Fund |
| “Directors” | : | Directors of the Company for the time being and each a “Director” |
| “Dr Goi” | : | Dr Goi Seng Hui |
| “EGM” | : | The extraordinary general meeting of the Company to be held by way of electronic means on 28 April 2022 at 2.30 p.m. (or as soon as reasonably practicable after the conclusion or adjournment of the AGM 2022 of the Company to be held on the same day at 2.00 p.m.) |
| “EGM 2003” | : | The extraordinary general meeting of the Company held on 30 May 2003 |
| “EPS” | : | Earnings per Share |
| “FY” | : | The financial year of the Company ended or ending 31 December (as the case may be) |
| “Group” | : | The Company and its subsidiaries, collectively, as at the date of this Circular |

DEFINITIONS

| | | |
|--|---|--|
| “Group Employee” | : | Any Executive Director or employee of the Group who is of the age of 21 years and above |
| “Latest Practicable Date” | : | 4 April 2022 being the latest practicable date prior to the issue of this Circular |
| “Listing Manual” | : | The SGX-ST’s Listing Manual |
| “Market Day” | : | A day on which the SGX-ST is open for trading in securities |
| “Non-Executive Director” | : | Any Director who does not perform an executive function within the Group, from time to time |
| “Non-performance-related Award” | : | An Award in relation to which no Performance Target(s) is specified |
| “Notice of EGM” | : | The notice of EGM dated 6 April 2022 set out at pages E1 to E3 of the booklet to Shareholders in relation to the AGM 2022 and the EGM |
| “NTA” | : | Net tangible assets |
| “Old Share Buy-Back Mandate” | : | The existing general mandate given by the Shareholders to authorise the Directors to exercise all the powers of the Company to purchase or otherwise acquire, on behalf of the Company, its issued Shares in accordance with the terms of such mandate and regulations set in the Companies Act and Listing Manual first approved at the EGM 2003 and renewed yearly in subsequent AGMs (last renewed in AGM 2021) |
| “Off-Market Share Purchase” | : | A Share Purchase by the Company effected pursuant to an equal access scheme, which is in accordance with Section 76C of the Companies Act, for the purchase of Shares from the Shareholders |
| “Official List” | : | The list of issuers maintained by the Exchange in relation to the SGX Main Board or Catalist |
| “On-Market Share Purchase” | : | A Share Purchase by the Company effected on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purchase |
| “Participant” | : | Any eligible person who is selected by the Committee to participate in the PSC Employee Restricted Share Plan 2022 |

DEFINITIONS

| | | |
|--|---|---|
| “Performance-related Award” | : | An Award in relation to which one or more Performance Target(s) is/are specified |
| “Performance Target(s)” | : | The performance target(s) prescribed by the Committee to be fulfilled by a Participant for any particular period under the PSC Employee Restricted Share Plan 2022 |
| “Proposed Corporate Actions” | : | Has the meaning ascribed to it in paragraph 1 of the letter of Shareholders |
| “Proxy Form” | : | The proxy form accompanying the Notice of EGM |
| “PSC EMPLOYEE RESTRICTED SHARE PLAN 2022” | : | The employee share plan of the Company to be adopted |
| “Relevant Period” | : | The period commencing from the date on which the resolution relating to the Share Buy-back Mandate is passed in a general meeting and expiring on the earliest of (a) the conclusion of the next AGM or the date by which such AGM is required by law to be held, (b) the date on which the Share Purchases are carried out to the full extent mandated, or (c) the date the Share Buy-back Mandate is revoked or varied by the Shareholders in a general meeting |
| “Securities Account” | : | A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent |
| “SFA” | : | The Securities and Futures Act 2001, of Singapore, as amended, modified or supplemented from time to time |
| “Share Buy-Back Circular” | : | The circular to Shareholders dated 8 May 2003 |
| “Share Buy-Back Mandate” | : | The new general mandate given by the Shareholders to authorise the Directors to exercise all the powers of the Company to purchase or otherwise acquire, on behalf of the Company, its issued Shares in accordance with the terms of such mandate and regulations set in the Companies Act and Listing Manual |
| “Share Purchase” | : | The purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited |

DEFINITIONS

| | | |
|----------------------------------|---|--|
| “Shareholders” | : | Registered holders of Shares in the register of members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited |
| “Shares” | : | Ordinary shares in the capital of the Company |
| “SIC” | : | Securities Industry Council of Singapore |
| “SRS” | : | Supplementary Retirement Scheme |
| “subsidiary holdings” | : | Shares held by subsidiaries of the Company in accordance with the Companies Act |
| “Substantial Shareholder” | : | A person who has an interest (directly or indirectly) of 5% or more of the total issued Shares (excluding treasury shares) |
| “Take-over Code” | : | The Singapore Code on Take-overs and Mergers, and all practice notes, rules and guidelines thereunder, as may be issued, amended or modified from time to time |
| “treasury shares” | : | Shares of the Company which were (or are treated as having been) repurchased by the Company in circumstances in which Section 76H of the Companies Act applies and have been held by the Company continuously since the treasury share was so purchased |
| “Vesting Period” | : | In relation to an Award, a period or periods of time before vesting occurs, the duration of which is to be determined by the Committee at the date of the grant of the Award |
| “S\$” and “cents” | : | Singapore dollars and cents respectively, unless otherwise stated |
| “%” | : | Per centum or percentage. |

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

The term **“subsidiary”** has the meaning ascribed to it in Section 5 of the Companies Act.

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

DEFINITIONS

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

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively, unless otherwise stated.

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

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

CIRCULAR TO SHAREHOLDERS

HANWELL HOLDINGS LIMITED

(Company Registration No. 197400888M)
(Incorporated in the Republic of Singapore)

Directors:

| | |
|--------------------------------------|--|
| Dr Goi Seng Hui | <i>Executive Chairman</i> |
| Dr Chen Seow Phun, John | <i>Deputy Chairman, Non-Executive and Independent Director</i> |
| Mr Chandra Das S/O Rajagopal Sitaram | <i>Non-Executive and Independent Director</i> |
| Mr Tan Kian Chew | <i>Non-Executive and Non-Independent Director</i> |
| Mr Goi Kok Ming (Wei Guoming) | <i>Non-Executive and Non-Independent Director</i> |
| Mr Siu Wai Kam | <i>Non-Executive and Independent Director</i> |
| Mr Goh Yang Jun, Jasper | <i>Non-Executive and Independent Director</i> |

Registered Office:

348 Jalan Boon Lay
Singapore 619529

To: The Shareholders of **HANWELL HOLDINGS LIMITED**

Dear Sir/Madam,

- (1) **THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “PSC CORPORATION LTD.”**
- (2) **THE PROPOSED ADOPTION OF A NEW SHARE BUY-BACK MANDATE**
- (3) **THE PROPOSED ADOPTION OF THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022**

1. INTRODUCTION

The Board proposes to convene an EGM by way of electronic means on 28 April 2022 at 2.30 p.m. (or as soon as reasonably practicable after the conclusion or adjournment of the AGM 2022 of the Company to be held on the same day at 2.00 p.m) to seek Shareholders' approval in relation to:

- (a) the proposed change of name of the Company to “PSC Corporation Ltd.”;
- (b) the proposed adoption of a new Share Buy-Back Mandate; and
- (c) the proposed adoption of the PSC Employee Restricted Share Plan 2022.

(together, the “**Proposed Corporate Actions**”)

The purpose of this Circular is to explain the reasons for, and to provide the Shareholders with information relating to, the Proposed Corporate Actions. The Notice of EGM is set out in pages E1 to E3 of the booklet to Shareholders in relation to the AGM 2022 and the EGM.

Virtus Law LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Corporate Actions.

CIRCULAR TO SHAREHOLDERS

2. THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “PSC CORPORATION LTD.”

2.1. Background

Established as Provisions Suppliers Corporation in 1974, the Company changed its name to PSC Corporation Ltd. in 2003. The Group underwent a rebranding exercise in 2012 and the Company changed its name to Hanwell Holdings Limited. Notwithstanding the change of name, clients, suppliers and business partners have continued to associate the Company with its old name.

The Group has recently undergone another rebranding exercise, and the Board is proposing to revert the name of the Company from Hanwell Holdings Limited back to PSC Corporation Ltd.

2.2. Rationale for Change of Name

The proposed change of name will enable customers, suppliers and business partners to better associate the Company with its history, products, services and business. The Company believes that the old name of the Company has made a deep impression on Singapore consumers and therefore, with the proposed change of name, it may bind the consumers with the past and will create deeper connection through loyalty, consistency and stability. In this regard, it will bring value to the Company and strengthen its position in the consumer market.

2.3. Approvals

On 11 February 2022, ACRA approved the Company's application for the change of name to “PSC Corporation Ltd.”, and such name has been reserved for a period of 120 days until 11 June 2022, following which the reservation will have to be extended. The proposed change of name is subject to Shareholders' approval by way of a special resolution at the EGM, pursuant to Section 28 of the Companies Act.

Subject to the passing of the special resolution at the EGM, the Company will, as soon as reasonably practicable after the EGM, lodge the requisite notifications with ACRA. The Company will adopt “PSC Corporation Ltd.” as its new name with effect from the issuance of the Certificate of Incorporation on Change of Name of Company by ACRA. The name “PSC Corporation Ltd.” shall replace all references to “Hanwell Holdings Limited” in the Constitution thereafter.

The Company will release an announcement to notify Shareholders when the proposed change of name takes effect. Shareholders should note that the change of the Company's name, if effected, will not affect (i) the identity or legal status of the Company, (ii) any of the rights or obligations of the Company, (iii) any of the rights of Shareholders, or (iv) the Group's day-to-day business operations and financial position.

2.4. Existing Share Certificates

Shareholders should note that notwithstanding the proposed change of name, the Company will not recall existing share certificates in respect of the Shares, which will continue to be *prima facie* evidence of legal title. No further action is required on the part of Shareholders in respect of the existing share certificates.

CIRCULAR TO SHAREHOLDERS

3. THE PROPOSED ADOPTION OF A NEW SHARE BUY-BACK MANDATE

3.1. Background

At the EGM 2003, Shareholders had approved the Old Share Buy-back Mandate to enable the Company to purchase or otherwise acquire Shares. The rationale for, the authority and limitations on, and the financial effects of, the Old Share Buy-back Mandate were set out in the Share Buy-Back Circular.

The Old Share Buy-back Mandate was subsequently renewed at the respective AGMs of the Company held on 28 April 2004, 28 April 2005, 26 April 2006, 25 April 2007, 25 April 2008, 24 April 2009, 23 April 2010, 29 April 2011, 27 April 2012, 26 April 2013, 25 April 2014, 24 April 2015, 22 April 2016, 21 April 2017, 20 April 2018, 26 April 2019, 18 June 2020 and the AGM 2021. The said mandate will expire on the date of the forthcoming AGM 2022, being 28 April 2022. The Directors propose that not to renew the Old Share Buy-back Mandate and adopt a new Share Buy-Back Mandate.

3.2. Rationale

The rationale for the Company to undertake the Share Purchases is as follows:

- (a) The Directors and management constantly seek to increase Shareholders' value and to improve, inter alia, the return on equity of the Group. A Share Purchase at the appropriate price level is one of the ways through which the return on equity of the Group may be enhanced.
- (b) Share Purchase provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. They will also provide the Directors with greater flexibility over the Company's share capital structure with a view to enhancing the earnings and/or net asset value per share.
- (c) The Directors further believe that Share Purchases by the Company will help mitigate short-term market volatility, offset the effects of short-term speculation and bolster shareholder confidence.

While the Old Share Buy-Back Mandate would serve the above purposes, the maximum limit of the number of Shares which can be repurchased pursuant to the Old Share Buy-back Mandate is such number of Shares which represent up to a maximum of 8% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) and the purchase price to be paid for a Share pursuant to a Share Purchase must not exceed, in the case of an Off-Market Share Purchase pursuant to an equal access scheme, 105% of the Average Closing Price (as defined in section 3.3(d) of this Circular).

The Directors would like to adopt a new Share Buy-Back Mandate where maximum number of Shares which can be repurchased pursuant to the new Share Buy-back Mandate is such number of Shares is increase to **10%** of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the EGM and upon each renewal, at which the renewal of the Share Buy-back Mandate is approved and the maximum purchase price to be paid for a Share in the case of an Off-Market Share Purchase pursuant to an equal access scheme is increased to **120%** of the Average Closing Price. The Directors would like to align the limits of the Share Buy-back Mandate with the limit prescribed by the Listing Manual and common practices of other listed companies.

CIRCULAR TO SHAREHOLDERS

Save for the above, the authority and limits on the new Share Buy-Back Mandate to be adopted is substantially the same as the Old Share Buy-Back Mandate.

Shareholders should note that Share Purchases will be made only when the Board considers it to be in the best interests of the Company and the Shareholders and in circumstances which will not result in any material adverse effect on the financial condition of the Company or the Group, or result in the Company being delisted from the SGX-ST.

3.3. Authority and Limits on the new Share Buy-Back Mandate

The authority and limits placed on purchases or acquisitions of Shares under the new Share Buy-back Mandate, if adopted at the EGM, are as follows:

(a) Maximum Number of Shares

The number of Shares which can be repurchased pursuant to the Share Buy-back Mandate is such number of Shares which represent up to a maximum of 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the EGM and upon each renewal, at which the renewal of the Share Buy-back Mandate is approved, or such reduced issued ordinary share capital of the Company pursuant to a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the duration of authority described in section 3.3(b) of this Circular below.

As at the Latest Practicable Date, the Company has 553,415,746 issued Shares excluding treasury shares and the maximum number of Shares which can be repurchased pursuant to the Share Buy-Mandate is 55,341,574 assuming that there is no change in the number of issued Shares and treasury shares after the Latest Practicable Date. As at the Latest Practicable Date, the Company holds 17,581,000 shares as treasury shares and does not have any subsidiary holdings.

(b) Duration of Authority

Share Purchases may be made, at any time and from time to time, on and from the date of the EGM at which the adoption of the Share Buy-back Mandate is approved up to the earlier of:

- (i) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated;
- (ii) the date on which the next AGM of the Company is held or required by law to be held; or
- (iii) the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders of the Company in a general meeting.

The Share Buy-Back Mandate may be renewed at each AGM or other general meetings of the Company.

CIRCULAR TO SHAREHOLDERS

(c) Mode of Share Purchase

Share Purchase may be On-Market Share Purchases and/or otherwise Off-Market Share Purchases.

The On-Market Share Purchases refer to purchases of Shares by the Company through the trading system of the SGX-ST, which may be transacted through one or more duly licensed dealers appointed by the Company for this purpose.

The Off-Market Share Purchases refer to purchases of Shares by the Company made under an equal access scheme or schemes for the purchase of Shares from Shareholders. Under Section 76C of the Companies Act, an equal access scheme must satisfy all of the following conditions:

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

In addition, pursuant to the listing rules of the Listing Rules, in making an Off-Market Share Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share Purchase;
- (iv) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (v) whether the Share Purchase, if made, will have any effect on the listing of the Shares on the SGX-ST;
- (vi) details of any Share Purchases made by the Company in the previous twelve (12) months (whether On-Market Share Purchases or Off-Market Share Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the Share Purchases, where relevant, and the total consideration paid for the Share Purchases; and
- (vii) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

CIRCULAR TO SHAREHOLDERS

(d) Maximum Purchase Price

The purchase price per Share (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for a Share pursuant to a Share Purchase must not exceed:

- (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (ii) in the case of an Off-Market Share Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined hereinafter),

(the “**Maximum Price**”) in either case, excluding related expenses.

For the above purposes: “**Average Closing Price**” means 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, immediately preceding the date of making the On-Market Share Purchase by the Company or, as the case may be, the day of the making of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) day period and the day on which the purchases were made; and

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

3.4. Status of Purchased Shares

Any Share which is purchased or acquired by the Company shall, unless held as treasury shares to the extent permitted under the Companies Act and the Constitution, be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to the Share will expire on such cancellation. Accordingly, the total number of issued Shares will be diminished by such number of Shares purchased or acquired by the Company and which are not held as treasury shares.

Any Shares purchased or acquired by the Company and cancelled will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled by the Company as soon as reasonably practicable following the settlement of any purchase or acquisition of such Shares.

At the time of each purchase or acquisition of Shares, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, taking into consideration the prevailing circumstances and requirements of the Company and as the Directors deem fit in the interest of the Company at the relevant time.

CIRCULAR TO SHAREHOLDERS

3.5. Treasury Shares

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

(a) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares from time to time.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as 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.

(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to the PSC Employee Restricted Share Plan 2022 or any share scheme, whether for employees, directors or other persons;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

The Company is required under Rule 704(28) of the Listing Manual to immediately announce any sale, transfer, cancellation and/or use of treasury shares stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;

CIRCULAR TO SHAREHOLDERS

- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

3.6. Reporting Requirements

The Companies Act and the Listing Manual require the Company to make reports in relation to the Share Buy-Back Mandate as follows:

- (a) within thirty (30) days after the passing of a Shareholders' resolution to approve the purchases of Shares by the Company, the Directors shall lodge a copy of such resolution with ACRA;
- (b) within thirty (30) days after a purchase of Shares on the SGX-ST or otherwise, the Directors shall lodge with ACRA the notice of the purchase in the prescribed form with the following particulars:
 - (i) the date of the Share Purchase;
 - (ii) the total number of Shares purchased by the Company;
 - (iii) the total number of Shares cancelled;
 - (iv) the number of Shares held as treasury shares;
 - (v) the Company's issued share capital before and after the Shares Purchase;
 - (vi) the amount of consideration paid by the Company for the Share Purchase;
 - (vii) whether the Shares were purchased out of profits or the capital of the Company; and
 - (viii) such other particulars as may be required in the prescribed form;
- (c) within thirty (30) days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of treasury shares in the prescribed form;
- (d) purchases of Shares must be reported to the SGX-ST in the forms prescribed by the Listing Rules and announced to the public in the case of On-Market Share Purchases, not later than 9.00 a.m. on the Market Day following the day on which the Company purchased Shares and in the case of Off-Market Share Purchases, not later than 9.00 a.m. on the second Market Day after the close of acceptances of the offer made by the Company. Such announcement shall include, *inter alia*, the maximum number of Shares authorised for purchase or acquisition, the date of the Share Purchases, the

CIRCULAR TO SHAREHOLDERS

number of Shares purchased or acquired, the number of Shares cancelled or held as treasury shares, the purchase price per Share or (in the case of On-Market Share Purchases) the highest price and lowest price per Share (specify currency), the total consideration paid or payable for the Shares (including Relevant Expenses), cumulative number of Shares purchased to date, the number of issued Shares after purchase or acquisition and such other information as may be prescribed from time to time. The announcement must be in the form of Appendix 8.3.1 prescribed by the Listing Manual; and

- (e) in its annual report and accounts, the Company shall make disclosure of details pertaining to purchases of Shares made during the year, including the total number of Shares purchased during the financial year under review, the purchase price per Share or the highest and lowest prices paid for the purchases, and where relevant, the total consideration paid.

3.7. Source of Funds

Under the Companies Act, any purchase of Shares may be made out of the Company's capital or profits or a combination of profits and capital at the discretion of the Directors, so long as the Company is solvent at the time of the Share purchases.

The Company will use internal sources of funds (comprising cash and fixed deposits) for the Share purchases. The Company has not obtained or incurred nor does it intend to obtain or incur any borrowings to finance the Share purchases. The Company will not purchase any Shares if such Share purchases will adversely affect the financial condition of the Company.

3.8. Financial Impact

- (a) General

Shareholders should note that the financial effects illustrated below are for illustration purposes only. In particular, it is important to note that the financial analysis set out below are based on the unaudited financial statements of the Company for FY2021 and are not necessarily representative of the future financial performance of the Group. Although the proposed Share Buy-Back Mandate would authorise the Company to purchase up to 10% of the issued Shares, the Company may not necessarily purchase or be able to purchase the said 10% of the issued Shares in full.

- (b) Financial Effects of the Share Buy-Back Mandate

It is not possible for the Company to realistically calculate or quantify the financial effects of purchases or acquisitions that may be made pursuant to the Share Buy-Back Mandate, as it would depend on factors such as the aggregate number of Shares purchased or acquired, the Purchase Price paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases, whether the Share Purchase is made out of profits or capital, and whether the Shares purchased are held in treasury or cancelled. The Purchase Price paid by the Company for the Shares will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

CIRCULAR TO SHAREHOLDERS

The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Company. The purchase of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Company, the prevailing market conditions and the financial position of the Group. The proposed Share Buy-Back Mandate will be exercised with a view to enhance the earnings and/or the NTA value per Share of the Company. The financial effects presented in paragraph 3.7 are based on the assumptions set out below.

(i) *Information as at the Latest Practicable Date*

As at the Latest Practicable Date, the Company has 553,415,746 issued Shares.

(ii) *Illustrative Financial Effects*

Purely for illustrative purposes, on the basis of 553,415,746 Shares in issue as at the Latest Practicable Date, and assuming no further Shares are issued and the Company held 17,581,000 shares as treasury shares, the purchase by the Company of 10% of its issued Shares will result in the purchase of 55,341,574 Shares.

In the case of On-Market Share Purchases by the Company and assuming that the Company purchases or acquires 55,341,574 Shares at the Maximum Price of S\$0.422 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the Official List of the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 55,341,574 Shares is S\$23,354,144.

In the case of Off-Market Share Purchases by the Company and assuming that the Company purchases or acquires 55,341,574 Shares at the Maximum Price of S\$0.482 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the Official List of the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 55,341,574 Shares is S\$26,674,639.

For illustrative purposes only and on the basis of the assumptions set out above as well as the following:

- (A) the Share Buy-Back Mandate had been effective on 1 January 2021;
- (B) the Company had purchased or acquired 55,341,574 Shares (representing 10% of its total number of issued Shares as at the Latest Practicable Date);
- (C) such Share Purchases are funded solely by internal resources; and
- (D) Transaction costs incurred for the Share Buy-Backs are assumed to be insignificant and have been disregarded for the purpose of computing the financial effects.

CIRCULAR TO SHAREHOLDERS

For illustrative purposes only, and based on the assumptions set out above, the financial effects of (1) Share Buy-Backs of 55,341,574 Shares by the Company made entirely out of capital and the purchased shares are held in treasury; and (2) Share Buy-backs of 55,341,574 Shares by the Company made entirely out of capital and the purchased shares are cancelled on the audited consolidated financial statements of the Company and the Group for FY2021 are set out below:

Scenario 1a – Off-Market Share Purchase made entirely out of Capital and held as treasury shares

| | Group | | Company | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|
| | Before Share Purchases | After Share Purchases | Before Share Purchases | After Share Purchases |
| <u>As at 31 December 2021</u> | | | | |
| Share capital (S\$'000) | 180,100 | 180,100 | 180,100 | 180,100 |
| Total Shareholders' Funds (S\$'000) | 308,780 | 282,105 | 179,038 | 152,363 |
| Treasury shares ('000) | 17,581 | 72,923 | 17,581 | 72,923 |
| Number of shares as excluding treasury shares ('000) | 553,416 | 498,074 | 553,416 | 498,074 |
| NTA (S\$'000) | 392,246 | 365,571 | 179,038 | 152,363 |
| Current assets (S\$'000) | 413,938 | 387,263 | 118,972 | 92,297 |
| Current liabilities (S\$'000) | 158,639 | 158,639 | 13,530 | 13,530 |
| Working capital (S\$'000) | 255,299 | 228,624 | 105,442 | 78,767 |
| Total Borrowings (S\$'000) | 101,277 | 101,277 | 13,742 | 13,742 |
| Total liabilities (S\$'000) | 185,239 | 185,239 | 27,211 | 27,211 |
| Net profit (S\$'000) | 29,893 | 29,893 | 5,137 | 5,137 |
| <u>Financial Ratios</u> | | | | |
| NTA per share ⁽¹⁾ (cents) | 70.88 | 73.40 | 32.35 | 30.59 |
| Gearing ⁽²⁾ (times) | 0.33 | 0.36 | 0.08 | 0.09 |
| Current ratio ⁽³⁾ (times) | 2.61 | 2.44 | 8.79 | 6.82 |
| EPS (cents) ⁽⁴⁾ | | | | |
| – Basic | 3.54 | 3.93 | 0.93 | 1.03 |

Notes

- (1) NTA per Share has been computed based on NTA divided by the number of Shares in issue as at 31 December 2021.
- (2) Gearing has been computed based on total borrowings divided by Shareholders' equity.
- (3) Current ratio represents the ratio of current assets to current liabilities.
- (4) EPS has been computed based on FY2021 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.

CIRCULAR TO SHAREHOLDERS

Scenario 1b – On-Market Share Purchase made entirely out of Capital and held as treasury shares

| | Group | | Company | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|
| | Before Share Purchases | After Share Purchases | Before Share Purchases | After Share Purchases |
| <u>As at 31 December 2021</u> | | | | |
| Share capital (S\$'000) | 180,100 | 180,100 | 180,100 | 180,100 |
| Total Shareholders' Funds (S\$'000) | 308,780 | 285,426 | 179,038 | 155,684 |
| Treasury shares ('000) | 17,581 | 72,923 | 17,581 | 72,923 |
| Number of shares as excluding treasury shares ('000) | 553,416 | 498,074 | 553,416 | 498,074 |
| NTA (S\$'000) | 392,246 | 368,892 | 179,038 | 155,684 |
| Current assets (S\$'000) | 413,938 | 390,584 | 118,972 | 95,618 |
| Current liabilities (S\$'000) | 158,639 | 158,639 | 13,530 | 13,530 |
| Working capital (S\$'000) | 255,299 | 231,945 | 105,442 | 82,088 |
| Total Borrowings (S\$'000) | 101,277 | 101,277 | 13,742 | 13,742 |
| Total liabilities (S\$'000) | 185,239 | 185,239 | 27,211 | 27,211 |
| Net profit (S\$'000) | 29,893 | 29,893 | 5,137 | 5,137 |
| <u>Financial Ratios</u> | | | | |
| NTA per share ⁽¹⁾ (cents) | 70.88 | 74.06 | 32.35 | 31.26 |
| Gearing ⁽²⁾ (times) | 0.33 | 0.35 | 0.08 | 0.09 |
| Current ratio ⁽³⁾ (times) | 2.61 | 2.46 | 8.79 | 7.07 |
| EPS (cents) ⁽⁴⁾ | | | | |
| – Basic | 3.54 | 3.93 | 0.93 | 1.03 |

Notes

- (1) NTA per Share has been computed based on NTA divided by the number of Shares in issue as at 31 December 2021.
- (2) Gearing has been computed based on total borrowings divided by Shareholders' equity.
- (3) Current ratio represents the ratio of current assets to current liabilities.
- (4) EPS has been computed based on FY2021 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.

CIRCULAR TO SHAREHOLDERS

Scenario 2a – Off-Market Share Purchase made entirely out of Capital and cancelled

| | Group | | Company | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|
| | Before Share Purchases | After Share Purchases | Before Share Purchases | After Share Purchases |
| <u>As at 31 December 2021</u> | | | | |
| Share capital (S\$'000) | 180,100 | 153,425 | 180,100 | 153,425 |
| Total Shareholders' Funds (S\$'000) | 308,780 | 282,105 | 179,038 | 152,363 |
| Treasury shares ('000) | 17,581 | 17,581 | 17,581 | 17,581 |
| Number of shares as excluding treasury shares ('000) | 553,416 | 498,074 | 553,416 | 498,074 |
| NTA (S\$'000) | 392,246 | 365,571 | 179,038 | 152,363 |
| Current assets (S\$'000) | 413,938 | 387,263 | 118,972 | 92,297 |
| Current liabilities (S\$'000) | 158,639 | 158,639 | 13,530 | 13,530 |
| Working capital (S\$'000) | 255,299 | 228,624 | 105,442 | 78,767 |
| Total Borrowings (S\$'000) | 101,277 | 101,277 | 13,742 | 13,742 |
| Total liabilities (S\$'000) | 185,239 | 185,239 | 27,211 | 27,211 |
| Net profit (S\$'000) | 29,893 | 29,893 | 5,137 | 5,137 |
| <u>Financial Ratios</u> | | | | |
| NTA per share ⁽¹⁾ (cents) | 70.88 | 73.40 | 32.35 | 30.59 |
| Gearing ⁽²⁾ (times) | 0.33 | 0.36 | 0.08 | 0.09 |
| Current ratio ⁽³⁾ (times) | 2.61 | 2.44 | 8.79 | 6.82 |
| EPS (cents) ⁽⁴⁾ | | | | |
| – Basic | 3.54 | 3.93 | 0.93 | 1.03 |

Notes

- (1) NTA per Share has been computed based on NTA divided by the number of Shares in issue as at 31 December 2021.
- (2) Gearing has been computed based on total borrowings divided by Shareholders' equity.
- (3) Current ratio represents the ratio of current assets to current liabilities.
- (4) EPS has been computed based on FY2021 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.

CIRCULAR TO SHAREHOLDERS

Scenario 2b – On-Market Share Purchase made entirely out of Capital and cancelled

| | Group | | Company | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|
| | Before Share Purchases | After Share Purchases | Before Share Purchases | After Share Purchases |
| <u>As at 31 December 2021</u> | | | | |
| Share capital (S\$'000) | 180,100 | 156,746 | 180,100 | 156,746 |
| Total Shareholders' Funds (S\$'000) | 308,780 | 285,426 | 179,038 | 155,684 |
| Treasury shares ('000) | 17,581 | 17,581 | 17,581 | 17,581 |
| Number of shares as excluding treasury shares ('000) | 553,416 | 498,074 | 553,416 | 498,074 |
| NTA (S\$'000) | 392,246 | 368,892 | 179,038 | 155,684 |
| Current assets (S\$'000) | 413,938 | 390,584 | 118,972 | 95,618 |
| Current liabilities (S\$'000) | 158,639 | 158,639 | 13,530 | 13,530 |
| Working capital (S\$'000) | 255,299 | 231,945 | 105,442 | 82,088 |
| Total Borrowings (S\$'000) | 101,277 | 101,277 | 13,742 | 13,742 |
| Total liabilities (S\$'000) | 185,239 | 185,239 | 27,211 | 27,211 |
| Net profit (S\$'000) | 29,893 | 29,893 | 5,137 | 5,137 |
| <u>Financial Ratios</u> | | | | |
| NTA per share ⁽¹⁾ (cents) | 70.88 | 74.06 | 32.35 | 31.26 |
| Gearing ⁽²⁾ (times) | 0.33 | 0.35 | 0.08 | 0.09 |
| Current ratio ⁽³⁾ (times) | 2.61 | 2.46 | 8.79 | 7.07 |
| EPS (cents) ⁽⁴⁾ | | | | |
| – Basic | 3.54 | 3.93 | 0.93 | 1.03 |

Notes

- (1) NTA per Share has been computed based on NTA divided by the number of Shares in issue as at 31 December 2021.
- (2) Gearing has been computed based on total borrowings divided by Shareholders' equity.
- (3) Current ratio represents the ratio of current assets to current liabilities.
- (4) EPS has been computed based on FY2021 net profit attributable to Shareholders divided by the weighted average number of Shares in issue.

The financial effects set out above are for illustrative purposes only. Although the Share Buy-Back Mandate would authorise the Company to purchase up to 10% of the issued Shares, the Company may not necessarily purchase or be able to purchase the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased, or hold all or part of the Shares repurchased in treasury. The above analysis is based on historical numbers as at 31 December 2021, and is not necessarily representative of future financial performance.

CIRCULAR TO SHAREHOLDERS

The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of the Share Purchase before execution. The Directors do not intend to exercise the Share Buy-Back Mandate up to the maximum limit if such exercise would materially and adversely affect the financial position of the Company or the Group. The Directors will also not undertake Share Purchases if the borrowings required to finance the Share Purchases will result in a negative or adverse effect on the financial position of the Company or the Group.

3.9. Taxation

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Buy-Back Mandate, or who may be subject to tax in a jurisdiction other than Singapore, should consult their own professional advisers.

3.10. Interested Persons

The Company is prohibited from knowingly buying Shares on the Official List of the SGX-ST from an interested person, that is, a Director, the Chief Executive Officer or a Controlling Shareholder of the Company, or any of their Associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

3.11. Listing Manual

While the Listing Manual does not expressly prohibit purchases or acquisitions of shares by a listed company during any particular time or times, the Company, in line with Rule 1207(19)(c) of the Listing Manual, will not purchase or acquire any Shares through market purchases during the period of:

- (a) one month immediately preceding the announcement of the Company's full year results; and
- (b) two weeks immediately preceding the announcement of the Company's quarterly results for each of the first three quarters of its financial year.

The Company's decision to purchase or acquire Shares would only be made with an arrangement that could reasonably be expected to ensure that information that is not generally available would not be communicated or informed to the person within the Company who makes the decision to transact.

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its listed securities (excluding treasury shares, preference shares and convertible equity securities) are in the hands of the public. The "public", as defined in the Listing Manual, are persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company or its subsidiaries, as well as the Associates of such persons.

As at the Latest Practicable Date, 186,500,291 Shares, representing approximately 33.7% of the total number of issued Shares (excluding treasury shares), are held in the hands of the public. Assuming that the Company purchases the aggregate of 55,341,574 Shares through On-Market Share Purchases, being the full 10% limit pursuant to the Share Buy-back Mandate from the public (as defined in the Listing Manual), the number of Shares

CIRCULAR TO SHAREHOLDERS

in the hands of the public would be reduced to 131,158,717 Shares, representing approximately 26.3% of the issued Shares of the Company (excluding treasury shares). Accordingly, the Company is of the view that there is a sufficient number of Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buy-back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In undertaking any purchases or acquisitions of Shares through On-Market Share Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

3.12. Take-over Code Implications

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note as applicable as at the Latest Practicable Date (“**Appendix 2**”). The take-over implications arising from any Share Purchase by the Company are set out below.

(a) Obligation to make a take-over offer

Pursuant to the Take-over Code, an increase in a Shareholder’s proportionate interest in the voting rights of the Company resulting from a Share Purchase by the Company will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code (“**Rule 14**”). Under Rule 14, a Shareholder and persons acting in concert with him will incur an obligation to make a mandatory take-over offer if, amongst others, they increase their voting rights in the Company to 30% or more or, if they, together holding between 30% and 50% of the Company’s voting rights, increase their voting rights in the Company by more than 1% in any period of six (6) months.

(b) Persons acting in concert

Under the Take-over Code, persons acting in concert comprise of 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, amongst others, will be presumed to be acting in concert, namely:

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above companies for the purchase of voting rights;
- (ii) a company with any of its directors (together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts);

CIRCULAR TO SHAREHOLDERS

- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts), which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (vii) partners; and
- (viii) an individual with his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the above persons and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

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

(c) Application of the Take-over Code

In general terms, the effect of Rule 14 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 its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by 1% in any period of six (6) months.

A Shareholder not acting in concert with any Directors will not be required to make a take-over offer under Rule 14 if, as a result of any Share Purchase by the Company, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such a Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-Back Mandate.

As at the Latest Practicable Date, Dr Goi holds an aggregate of 164,802,904 Shares representing approximately 29.78% of the total number of issued Shares of the Company.

CIRCULAR TO SHAREHOLDERS

Based on the shareholdings of the Directors as at the Latest Practicable Date, assuming (a) the Company purchases the maximum amount of 10% of the issued Shares; and (b) there is no change in the number of Shares held or deemed to be held by Dr Goi prior to and after the exercise of the Share Buy-Back Mandate, the aggregate interests of the Dr Goi would increase from 29.78% to 33.09% of the issued share capital of the Company.

Accordingly, under the Take-over Code, Dr Goi, unless exempted, will become obliged to make a general offer under the Take-over Code for the Shares not owned by them, if as a result of the exercise of the Share Buy-Back Mandate, their interest in the voting rights of the Company increase by more than one per cent. (1%) within a six (6) month period.

(d) Exemption under Appendix 2 of the Take-over Code and conditions for exemption from having to make a general offer under Rule 14 of the Take-over Code

Paragraph 3(a) of Appendix 2 of the Take-over Code sets out the conditions for exemption from the obligation to make a general offer under Rule 14 of the Take-over Code in the case of directors and persons acting in concert with them incurring such an obligation as a result of a listed company making a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme under Section 76C of the Companies Act and the conditions include:

- (i) the circular to shareholders on the resolution to authorise a buy-back to contain advice to the effect that by voting for the buy-back resolution, shareholders are waiving their right to a general offer at the required price from directors and parties acting in concert with them who, as a result of the company buying back its shares, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of the company's voting rights, would increase their voting rights by more than 1% in any period of 6 months; and the names of such directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in the same circular;
- (ii) the resolution to authorise a share buy-back to be approved by a majority of those shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buy-back;
- (iii) directors and/or persons acting in concert with them to abstain from voting for and/or recommending shareholders to vote in favour of the resolution to authorise the share buy-back;
- (iv) within 7 days after the passing of the resolution to authorise a buy-back, each of the directors to submit to the SIC a duly signed form as prescribed by the SIC;
- (v) directors and/or persons acting in concert with them not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of: –
 - the date on which the authority of the share buy-back expires; and

CIRCULAR TO SHAREHOLDERS

- the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,

if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase to 30% or more; and

- (vi) directors and/or persons acting in concert with them, together holding between 30% and 50% of the company's voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:–

- the date on which the authority of the share buy-back expires; and
- the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,

if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase by more than 1% in the preceding six (6) months.

It follows that where the aggregate voting rights held by a director and persons acting in concert with him increase by more than 1% solely as a result of the share buy-back and none of them has acquired any shares during the relevant period defined above, then such director and/or persons acting in concert with him would be eligible for an exemption from the requirement to make a general offer under Rule 14, or where already exempted, would continue to be exempted.

(e) Waiver

Shareholders should note that by voting for the proposed adoption of a new Share Buy-back Mandate, they are waiving their rights to a takeover offer by Dr Goi in the circumstances set out above. Such a takeover offer, if required to be made and had not been exempted by SIC or such exemption granted is subsequently invalidated, would have to be made in cash or be accompanied by a cash alternative at the higher of (a) the highest price paid by the directors and/or persons acting in concert with them for any Share in the preceding six (6) months or (b) the highest price paid by the Company for its own Shares in the preceding six (6) months.

(f) Voting to be on a poll

Appendix 2 requires that the resolution to authorise the proposed adoption of a new Share Buy-Back Mandate be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer under Rule 14 of the Take-over Code as a result of the Share Buy-Back Mandate. Accordingly, the ordinary resolution relating to the Share Buy-back Mandate set out in the Notice of EGM is proposed to be taken on a poll and Dr Goi shall abstain from voting on the ordinary resolution.

CIRCULAR TO SHAREHOLDERS

Save as disclosed above, as at the Latest Practicable Date, the Directors confirm that they are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Buy-Back Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any Share Purchase by the Company should consult the SIC and/or their professional advisers at the earliest opportunity.

3.13. Details of the Shares Bought by the Company in the preceding Twelve (12) Months

The Company has not made any Share Purchase in the twelve (12) months preceding the Latest Practicable Date.

4. THE PROPOSED ADOPTION OF THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022

4.1. Introduction

The Board proposes that the PSC Employee Restricted Share Plan 2022 to be adopted at the EGM.

Currently, the Company has no employee share option schemes or other long-term incentives since its employee share option scheme expired on 8 July 2013.

Subject to Shareholders' approval of the PSC Employee Restricted Share Plan 2022 and the Company's compliance with the SGX-ST's listing requirements and guidelines, the SGX-ST has approved in-principle the listing and quotation of the Shares to be issued under the PSC Employee Restricted Share Plan 2022. The approval in-principle of the SGX-ST on the listing and quotation of the Shares shall not be taken as an indication of the merits of the PSC Employee Restricted Share Plan 2022, the Shares to be issued under the PSC Employee Restricted Share Plan 2022, the Company and/or its subsidiaries.

4.2. Rational of the proposed PSC Employee Restricted Share Plan 2022

The objectives of the PSC Employee Restricted Share Plan 2022 are as follows:

- (a) to motivate Participants to strive towards performance excellence and to maintain a high level of contribution to the Group;
- (b) to give recognition to contributions made or to be made by Participants by introducing a variable component into their remuneration package; and
- (c) to make employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long-term growth and profitability of the Group.

CIRCULAR TO SHAREHOLDERS

The PSC Employee Restricted Share Plan 2022 will provide incentives to key senior management and employees to excel in their performance and encourage greater loyalty to the Group through pre-determined Performance Target(s) and/or Vesting Period. It is also commonly used among other local listed companies.

The PSC Employee Restricted Share Plan 2022 defers from the usual performance share plan as it will provide flexibility to the Company to impose Vesting Period instead of Performance Target(s) for certain employee whose level of performance may not be easily pre-determined.

Rationale for participation of employees and directors of associated companies

While the PSC Employee Restricted Share Plan 2022 caters principally to Group Employees and currently, the Group does not have any operational Associated Companies, the extension of the PSC Employee Restricted Share Plan 2022 to employees and directors of Associated Companies is to cater for the future and allows the Group to have a fair and equitable system to reward them who may make contributions to the long-term growth of the Group through their close working relationship with the Group.

Extending the PSC Employee Restricted Share Plan 2022 to employees and directors of Associated Companies will also provide the flexibility to the Group if there is a need in the future to second any employee to an Associated Company without any concern as to whether previous grant of Awards to such employee will lapse.

4.3. Summary of Rules of the PSC Employee Restricted Share Plan 2022

The detailed rules of the PSC Employee Restricted Share Plan 2022 are set out in its entirety in Appendix 1 to this Circular. The following is a summary of the principal rules of the PSC Employee Restricted Share Plan 2022.

(a) Eligibility

The following persons are eligible to participate in the PSC Employee Restricted Share Plan 2022 at the absolute discretion of the Committee:

- (i) employees of the Group (including Executive Director(s)) who are of the age of 21 years and above who are not an undischarged bankrupt; and
- (ii) Employees and directors of an Associated Company who are of the age of 21 years and above who are not an undischarged bankrupt

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Non-Executive Directors shall not be eligible to participate in the PSC Employee Restricted Share Plan 2022 unless approved by Shareholders.

Controlling Shareholders and their Associates shall not be eligible to participate in the PSC Employee Restricted Share Plan 2022 unless approved by Shareholders.

CIRCULAR TO SHAREHOLDERS

In the event that the Company wishes to extend the PSC Employee Restricted Share Plan 2022 to a Non-Executive Director, Controlling Shareholder or Associate of a Controlling Shareholder, the Company will seek separate approval from the Shareholders.

In view of the forgoing, none of the current Directors is eligible to participate in the PSC Employee Restricted Share Plan 2022.

(b) Size and duration of the PSC Employee Restricted Share Plan 2022

The total number of Shares that may be issued or are issuable pursuant to the granting of the Awards on any date, when added to the aggregate number of Shares that are issued or are issuable in respect of such other share-based incentive schemes of the Company (if any), shall not exceed fifteen per cent. (15%) (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued ordinary shares (excluding treasury shares) of the Company on the day immediately preceding the date on which the Award shall be granted.

The PSC Employee Restricted Share Plan 2022, if approved, shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date of the EGM, provided always that the PSC Employee Restricted Share Plan 2022 may continue beyond the above stipulated period with the approval of the Shareholders by an ordinary resolution in a general meeting and of any relevant authorities which may then be required.

The termination of the PSC Employee Restricted Share Plan 2022 shall not affect Awards which have been granted but not yet vested.

(c) Awards

The Committee may at its sole discretion grant Awards to any Participant at any time during the period when the PSC Employee Restricted Share Plan 2022 is in force except that, for so long as the Shares are listed and quoted on the SGX-ST.

Awards represent the right of a Participant to receive fully-paid Shares free of charge. A Participant is entitled to receive fully-paid Shares free of charge subject to certain prescribed Performance Targets and/or Vesting Period being met.

For Performance-based Award, the Vesting Periods (if any) of Awards will be determined by the Committee but an Award may not be subject to such time restrictions before vesting.

For Non-performance-based Awards, the Vesting Periods of Awards will be determined by the Committee. The minimum Vesting Period for any Non-performance-based Award shall be one (1) year.

The selection of a Participant, the number of Shares which are the subject of each Award to be granted to him, and the prescribed Vesting Period (if any) shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success of the Group and the extent of effort required to achieve the Performance Target within the performance period.

CIRCULAR TO SHAREHOLDERS

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

- (i) the date on which the Award is to be granted;
- (ii) the number of Shares which are the subject of the Award;
- (iii) the prescribed Vesting Period(s) (if applicable);
- (iv) the prescribed Performance Target(s) (if applicable); and
- (v) the performance period during which the prescribed Performance Target(s) are to be satisfied.

Once an Award is finalised by the Committee, the Committee shall send an Award letter to the Participant confirming the said Award.

For Performance-based Awards, Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon the Committee being satisfied that the Participant has achieved the Performance Target(s) and that the Vesting Period (if any) has expired provided always that the Committee shall have the absolute discretion to determine the extent to which the Shares under that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded, as the case may be, at the end of the prescribed performance period. No Shares under the Award shall be released for the portion of the prescribed Performance Target(s) that is not satisfied by the Participant at the end of the prescribed performance period. The Company shall, within ten (10) Market Days after the vesting of an Award, allot and issue the relevant Shares or in the case of a transfer of treasury shares, do such acts or things which are necessary for the transfer to be effective.

(d) Events prior to the vesting of an Award

Unless otherwise decided in the absolute discretion of the Committee, an Award shall, to the extent not yet vested, immediately lapse without any claim whatsoever against the Company:

- (i) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;
- (ii) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Award;
- (iii) upon a Participant ceasing to be in the employment of the Group for any reason whatsoever other than a secondment or transfer of employment to an Associated Company; or
- (iv) in the event that the Committee shall at its discretion deem it appropriate that such Award to be given to a Participant shall so lapse on the grounds that any of the objectives of the PSC Employee Restricted Share Plan 2022 have not been met.

CIRCULAR TO SHAREHOLDERS

Further, the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

In the case of performance-related Awards, if a Participant ceases to be employed by the Group, by reason of his:

- (i) ill health, injury, death, disability (in each case, evidenced to the satisfaction of the Committee);
- (ii) redundancy;
- (iii) retirement at or after the normal retirement age;
- (iv) retirement before that age with the consent of the Committee;
- (v) completion of the term of his service contract; or
- (vi) (for any other reason approved in writing by the Committee,

the Committee may, in its absolute discretion, decide that a Participant is entitled to an Award or any part thereof, so long as he has met the Performance Target(s) notwithstanding that he may have ceased to be so employed or ceased to hold office after the fulfilment of such Performance Target(s) and that the Vesting Period has not expired prior to the cessation of such employment or holding of office.

In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Target(s) have been satisfied.

(e) Adjustment events

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

- (i) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
- (ii) the class and/or number of Shares over which future Awards may be granted under the PSC Employee Restricted Share Plan 2022, may, at the option of the Committee,

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

Unless the Committee considers an adjustment to be appropriate:

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

CIRCULAR TO SHAREHOLDERS

- (ii) the issue of securities by the Company as a consequence of the exercise of conversion rights/subscription rights in the Company's loan stock or warrants and any other securities convertible into Shares (including the exercise of any options granted under any employee share option scheme) or the delivery of Shares pursuant to the vesting of Awards from time to time by the Company or through any other share-based incentive schemes implemented by the Company; or
- (iii) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a Share purchase mandate granted by Shareholders of the Company (including any renewal of such mandate) is in force,

shall not normally be regarded as a circumstance requiring adjustment.

No such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive; and any determination by the Committee as to whether to make any adjustment and if so, the manner in which such adjustment should be made, must (except in relation to a capitalisation issue) be confirmed in writing by the auditors of the Company (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

The Company shall also notify the Participant (or his duly appointed personal representatives where applicable) in writing.

4.4. Modifications to the PSC Employee Restricted Share Plan 2022

Any or all the provisions of the PSC Employee Restricted Share Plan 2022 may be modified and/or altered at any time and from time to time by resolution of the Committee, subject to compliance with the Listing Manual and such other regulatory authorities as may be necessary, except that:

- (a) any modification or alteration which would be to the advantage of Participants under the PSC Employee Restricted Share Plan 2022 shall be subject to the prior approval of Shareholders in a general meeting; and
- (b) no modification or alteration shall be made without due compliance with the Listing Manual and the approval of the SGX-ST and such other regulatory authorities as may be necessary.

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 rules or provisions of the PSC Employee Restricted Share Plan 2022 in any way to the extent necessary to cause the PSC Employee Restricted Share Plan 2022 to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

In addition to the above, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of Participants under the PSC Employee Restricted Share Plan 2022 who, if their Awards were released to them, would thereby become entitled to not less than 75% of the aggregate number of all the issued Shares which would be issued upon vesting in full of all outstanding Awards under the PSC Employee Restricted Share Plan 2022.

CIRCULAR TO SHAREHOLDERS

4.5. Administration of the PSC Employee Restricted Share Plan 2022

The PSC Employee Restricted Share Plan 2022 shall be administered by the Committee, which has the absolute discretion to determine persons who will be eligible to participate in the PSC Employee Restricted Share Plan 2022. However, a Participant who is a member of the Committee shall not be involved in any deliberation or decision in respect of Awards (as the case may be) to be granted to or held by that Participant.

The Board intends to appoint all members of the remuneration committee of the Board to be members of the Committee and the chairman of the remuneration committee will also act as chairman of the Committee.

4.6. Disclosure in annual report

The Company shall make the following disclosures (as applicable) in its annual report for so long as the PSC Employee Restricted Share Plan 2022 continues in operation:

- (a) the names of the members of the Committee administering the PSC Employee Restricted Share Plan 2022;
- (b) in respect of the following Participants of the PSC Employee Restricted Share Plan 2022:
 - (i) Participants who are Directors; and
 - (ii) Participants (other than Directors) who have received Shares pursuant to the vesting of Awards which, in aggregate, represent five per cent. (5%) or more of the total number of Shares available under the PSC Employee Restricted Share Plan 2022,

the following information:

| Name of Participant | Number of Shares comprised in Award(s) granted to such Participant during the financial year under review (including terms) | Aggregate number of Shares comprised in Awards granted since the Adoption Date to the end of the financial year under review | Aggregate number of Shares comprised in Awards which have vested since the Adoption Date to the end of the financial year under review | Aggregate number of Shares comprised in Awards which have not been vested since the Adoption Date to the end of the financial year under review |
|---------------------|---|--|--|---|
| | | | | |

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

CIRCULAR TO SHAREHOLDERS

4.7. Financial effects of the PSC Employee Restricted Share Plan 2022

(a) Cost of Awards

The accounting rules in the Singapore Financial Reporting Standards requires the fair value of employee services received in exchange for the grant of the Shares to be recognised as an expense. For equity-settled share-based payment transactions, the total amount to be expensed in the income statement over the Vesting Period is determined by reference to the fair value of each Share granted at the grant date and the number of Shares vested by the vesting date, with a corresponding increase in equity.

Before the end of the Vesting Period, at each balance sheet date, the entity revises its estimates of the number of Shares that are expected to vest by the vesting date and recognises the impact of this revision in the income statement with a corresponding adjustment to equity. After the vesting date, no adjustment to the income statement would be made.

The expense recognised in the income statement depends on whether or not the Performance Target attached to an Award is measured by reference to the market price of the Shares. This is known as a “market condition”. If the Performance Target is a market condition, the probability of the Performance Target being met is taken into account in estimating the fair value of the Award granted at the date of grant, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met.

However, if the Performance Target is not a market condition, the fair value per Share of the Awards granted at the date of grant is used to compute the expense to be recognised in the income statement at the end of each financial year, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, where the vesting conditions do not include a market condition and if the Awards do not ultimately vest, the amount charged to the income statement would be reversed at the end of the vesting period.

(b) Share Capital

The PSC Employee Restricted Share Plan 2022 will result in an increase in the Company’s issued Shares where new Shares are issued to Participants. The number of new Shares issued will depend on, amongst others, the size of the Awards granted PSC Employee Restricted Share Plan 2022. In any case, the PSC Employee Restricted Share Plan 2022 provides that the number of Shares available under the PSC Employee Restricted Share Plan 2022, when aggregated with aggregate number of Shares available under any other share-based schemes of the Company, will be subject to the maximum limit of 15% of the Company’s total issued Shares (excluding treasury shares and subsidiary holdings).

If instead of issuing new Shares to Participants, existing Shares are purchased for delivery to Participants, the PSC Employee Restricted Share Plan 2022 will have no impact on the Company’s issued Shares.

CIRCULAR TO SHAREHOLDERS

(c) NTA

The PSC Employee Restricted Share Plan 2022 will result in a charge to the Company's profit and loss statement equal to the market value at which the existing Shares are purchased or the market value on the date at which new Shares are vested under the Awards. If new Shares are issued to Participants pursuant to the vesting of the Awards, there will be no effect on the NTA. If existing Shares are purchased for delivery to Participants, the NTA would decrease by the cost of the Shares purchased.

(d) EPS

The PSC Employee Restricted Share Plan 2022 will have a dilutive impact on the Company's consolidated EPS following the increase in the number of issued Shares, to the extent that new Shares are allotted and issued pursuant to the vesting and release of Awards under the PSC Employee Restricted Share Plan 2022. Nonetheless, the dilutive impact is not expected to be significant as the aggregate number of Shares available under the PSC Employee Restricted Share Plan 2022, when aggregated with aggregate number of Shares of any other share-based schemes of the Company, will be subject to the maximum limit of 15% of the Company's total issued Shares (excluding treasury shares and subsidiary holdings).

The PSC Employee Restricted Share Plan 2022 will result in a charge to earnings equivalent to the market value at which the existing Shares are purchased, or the market value on the date at which new Shares are issued under the Awards, as the case may be.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the date of this Circular, the interests of Directors and Substantial Shareholders of the Company in Shares, are set out below:

| | Direct Interest | | Deemed Interest ⁽¹⁾ | | Total Interest | |
|---|------------------|------------------|--------------------------------|------------------|------------------|------------------|
| | Number of Shares | % ⁽²⁾ | Number of Shares | % ⁽²⁾ | Number of Shares | % ⁽²⁾ |
| Directors | | | | | | |
| Dr Goi Seng Hui (Executive Chairman) | 164,802,904 | 29.78 | – | – | 164,802,904 | 29.78 |
| Dr Chen Seow Phun, John (Deputy Chairman/ Non-Executive & Independent Director) | – | – | – | – | – | – |
| Mr Chandra Das S/O Rajagopal Sitaram (Non-Executive and Independent Director) | – | – | – | – | – | – |

CIRCULAR TO SHAREHOLDERS

| | Direct Interest | | Deemed Interest ⁽¹⁾ | | Total Interest | |
|---|------------------|------------------|--------------------------------|------------------|------------------|------------------|
| | Number of Shares | % ⁽²⁾ | Number of Shares | % ⁽²⁾ | Number of Shares | % ⁽²⁾ |
| Mr Tan Kian Chew (Non-Executive and Non-Independent Director) | – | – | – | – | – | – |
| Mr Goi Kok Ming (Wei Guoming) (Non-Executive and Non-Independent Director) | – | – | – | – | – | – |
| Mr Siu Wai Kam (Non-Executive and Independent Director) | – | – | – | – | – | – |
| Mr Goh Yang Jun, Jasper (Non-Executive and Independent Director) | – | – | – | – | – | – |
| Substantial Shareholders (other than Directors) | | | | | | |
| Violet Profit Holdings Limited | 134,112,551 | 24.23 | – | – | 134,112,551 | 24.23 |
| Ku Yun-Sen ⁽³⁾ | – | – | 134,112,551 | 24.23 | 134,112,551 | 24.23 |
| Sin Huat Company Limited | 68,000,000 | 12.29 | – | – | 68,000,000 | 12.29 |
| Bernard Cheng Koh Chuen ⁽⁴⁾ | – | – | 68,000,000 | 12.29 | 68,000,000 | 12.29 |
| Cheng Chih Kwong @ Thie Tji Koang ⁽⁴⁾ | – | – | 68,000,000 | 12.29 | 68,000,000 | 12.29 |

Notes:

- (1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (2) The percentage shareholding interest is computed based on 553,415,746 Shares (excluding treasury shares) as at the date of this Circular.
- (3) Ku Yun-Sen is deemed to be interested in 134,112,551 shares held by Violet Profit Holdings Limited in the capital of the Company, by virtue of Section 7(4) of the Companies Act.
- (4) Bernard Cheng Koh Chuen and Cheng Chih Kwong @ Thie Tji Koang are deemed to be interested in 68,000,000 shares held by Sin Huat Company Limited in the capital of the Company, by virtue of Section 7(4) of the Companies Act.

Save for their respective shareholding interests in the Company, none of the Directors and Substantial Shareholders has any direct or indirect interest in the Proposed Change of Name.

CIRCULAR TO SHAREHOLDERS

6. DIRECTORS' RECOMMENDATIONS

After having considered, *inter alia*, the rationale and benefits of the proposed Corporate Actions (other than the proposed Share Buy-Back Mandate), the Directors are of the opinion that the other Proposed Corporate Actions are in the best interest of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of all other resolutions at the EGM.

After having considered, *inter alia*, the rationale and benefits of the proposed Share Buy-Back Mandate, the Directors (other than Dr Goi) are of the opinion that the proposed Share Buy-Back Mandate are in the best interest of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the resolution relating to the proposed adoption of a new Share Buy-Back Mandate at the EGM. Dr Goi has abstained from deliberations and making recommendation on the resolution relating to the proposed adoption of the Share Buy-Back Mandate.

7. ABSTENTIONS FROM VOTING

Pursuant to the conditions under Appendix 2 of the Take-over Code, Dr Goi and parties acting in concert with him will abstain from voting at the EGM on the ordinary resolution relating to the proposed adoption of a new Share Buy-back Mandate. All shareholders who are eligible to participate in the PSC Restricted Share Plan 2022 will abstain from voting at the EGM on the ordinary resolution relating to the proposed adoption of the PSC Employee Restricted Share Plan 2022.

8. EXTRAORDINARY GENERAL MEETING

The EGM will be held by way of electronic means on 28 April 2022 at 2:30 p.m. (or as soon as reasonably practicable after the conclusion or adjournment of the AGM 2022 of the Company to be held on the same day at 2.00 p.m) for the purpose of considering and, if thought fit, passing with or without any modifications, the special resolution set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1. No Attendance at EGM

The EGM is being convened, and will be held, by way of electronic means pursuant to First Schedule of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice of EGM will NOT be sent to members of the Company. Instead, the Notice of EGM will be made available to members of the Company by electronic means via publication on SGXNet and the Company's corporate website at <https://www.hanwell.com.sg> by clicking under the Investor Relations tab.

9.2. Alternative Arrangements

Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the EGM can be electronically accessed via "live" audio-visual webcast ("**LIVE WEBCAST**") or "live" audio-only stream ("**AUDIO ONLY MEANS**"), submission of questions in advance of the EGM, addressing of substantial and relevant questions, are set out in the Company's announcement dated 5 April 2022 (the "**Announcement**"), which has been uploaded together with the Notice of EGM on SGXNet

CIRCULAR TO SHAREHOLDERS

on the same day. The Announcement may also be accessed on the Company's website at <https://www.hanwell.com.sg> by clicking under the Investor Relations tab. The last day of submission of questions in advance for the EGM will be 15 April 2022. The Company will endeavour to address to the submitted questions by 21 April 2022.

The Company will not be convening a physical meeting, as such, members of the Company will not be able to attend the EGM in person.

9.3. Voting by appointment of Chairman as Proxy

A member of the Company (whether individual or corporate and including a relevant intermediary) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM, if such member wishes to exercise his/her/its voting rights at the EGM. In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate and including a relevant intermediary) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

The Chairman of the EGM, as proxy, need not be a member of the Company.

The instrument appointing the Chairman of the EGM as a proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

- (a) if submitted by email, at gpb@mncsingapore.com; or
- (b) if submitted by post, be lodged at the address of the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902,

in either case, by 2.30 p.m. on 25 April 2022 (being not less than seventy-two (72) hours before the time appointed for holding the EGM) (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

9.4. Further Updates

Please refer to the Notice of EGM and the Announcement which have been uploaded together with this Circular on SGXNET on the same day for further details on the alternative arrangements for the EGM as set out above. Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change its EGM arrangements at short notice. Shareholders should check at the URL at <http://www.sgx.com/securities/company-announcements> for the latest updates on the status of the alternative arrangements for the EGM, if any.

CIRCULAR TO SHAREHOLDERS

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Corporate Actions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. INSPECTION OF DOCUMENTS

Subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the Company's registered office during normal business hours from 9:00 a.m. to 5:00 p.m. on any weekday (public holidays excepted) from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution;
- (b) the annual report of the Company for the financial year ended 31 December 2021; and
- (c) the approval from ACRA dated 11 February 2022 for the Company's application for the reservation of the name "PSC Corporation Ltd."

Yours faithfully

For and on behalf of the Board of Directors of
Hanwell Holdings Limited

Dr. Goi Seng Hui
Executive Chairman

RULES OF PSC EMPLOYEE RESTRICTED SHARE PLAN 2022

1. NAME OF SCHEME

The Plan shall be called the “**PSC Employee Restricted Share Plan 2022**”.

2. DEFINITIONS

In the Plan, the following definitions apply:

| | |
|---------------------------|---|
| ACRA | Accounting and Corporate Regulatory Authority of Singapore |
| Adoption Date | The date on which the PSC Employee Restricted Share Plan 2022 is adopted by the Company in an extraordinary general meeting |
| Associate | <p>(a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:</p> <p>(i) his immediate family;</p> <p>(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</p> <p>(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> |
| Associated Company | A company in which at least twenty per cent. (20%) but not more than fifty per cent. (50%) of its shares are held by the Company or the Group and over which the Company has control |
| Auditor | The auditors of the Company for the time being |
| Award | A contingent award of Shares granted under the PSC Employee Restricted Share Plan 2022 |
| Board | The board of Directors of the Company |
| CDP | The Central Depository (Pte) Limited (including any successor entity thereto) |

| | |
|--------------------------------------|--|
| Companies Act | The Companies Act 1967, as amended from time to time |
| Company | Hanwell Holdings Limited (PSC Corporation Ltd.) |
| Committee | The committee comprising Directors of the Company, duly authorised, appointed and nominated by the Board to administer the PSC Employee Restricted Share Plan 2022, from time to time |
| Constitution | The Constitution of the Company, as amended from time to time |
| Controlling Shareholder | A person who (a) holds directly or indirectly 15% or more of the total number of all issued Shares (excluding Treasury Shares and subsidiary holdings) in the Company (unless the SGX-ST determines that such a person is not a controlling shareholder of the Company); or (b) in fact exercises control over the Company, as defined under the Listing Manual. |
| Director | A director of the Company from time to time |
| Executive Director | A director of the Company and/or its Subsidiaries, as the case may be, who performs an executive function within the Group, from time to time |
| Group Employee | Any Executive Director or employee of the Group who is of the age of 21 years and above |
| Group | The Company and its Subsidiaries, and “Group Company” shall mean any one of such companies |
| Listing Manual | The SGX-ST’s Listing Manual |
| Market Day | A day on which the SGX-ST is open for securities trading |
| Non-Executive Director | Any Director who does not perform an executive function within the Group, from time to time |
| Non-performance-related Award | An Award in relation to which no Performance Target(s) is specified |
| Participant | Any eligible person who is selected by the Committee to participate in the PSC Employee Restricted Share Plan 2022 in accordance with the rules thereof |
| Performance-related Award | An Award in relation to which one or more Performance Target(s) is/are specified |
| Performance Target(s) | The performance target(s) prescribed by the Committee to be fulfilled by a Participant for any particular period under the PSC Employee Restricted Share Plan 2022 |
| Plan | The PSC Employee Restricted Share Plan 2022 |

| | |
|----------------------------|--|
| Securities Accounts | Securities accounts maintained by Depositors or Depository Agents with CDP, but not including securities accounts maintained with a Depository Agent |
| SGX-ST | Singapore Exchange Securities Trading Limited |
| Shareholders | The registered holders of the Shares or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register |
| Shares | Ordinary shares in the issued share capital of the Company |
| Vesting Period | In relation to an Award, a period or periods of time before vesting occurs, the duration of which is to be determined by the Committee at the date of the grant of the Award |
| S\$ | Singapore dollars |
| % | Percentage or per centum |

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore.

The term “**Subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

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

Any reference in the PSC Employee Restricted Share Plan 2022 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 the Listing Manual or any statutory modification thereof and used in the PSC Employee Restricted Share Plan 2022 shall, where applicable, have the meaning assigned to it under the Companies Act or the Listing Manual or any statutory modification thereof, as the case may be unless otherwise provided.

Any reference to a time of day in the PSC Employee Restricted Share Plan 2022 shall be a reference to Singapore time unless otherwise stated.

3. OBJECTIVE OF THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022

The objectives of the PSC Employee Restricted Share Plan 2022 are as follows:

- (a) to motivate Participants to strive towards performance excellence and to maintain a high level of contribution to the Group;
- (b) to give recognition to contributions made or to be made by Participants by introducing a variable component into their remuneration package; and
- (c) to make employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long-term growth and profitability of the Group.

4. ELIGIBILITY

4.1 The following persons are eligible to participate in the PSC Employee Restricted Share Plan 2022 at the absolute discretion of the Committee:

- (i) Group Employees who are of the age of 21 years and above who are not an undischarged bankrupt; and
- (ii) Employees and directors of an Associated Company who are of the age of 21 years and above who are not an undischarged bankrupt

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

4.2 Non-Executive Directors shall not be eligible to participate in the PSC Employee Restricted Share Plan 2022 unless approved by Shareholders.

4.3 Controlling Shareholders and their Associates shall not be eligible to participate in the PSC Employee Restricted Share Plan 2022 unless approved by Shareholders.

4.4 There shall be no restriction on the eligibility of any Participant to participate in any other share plan or share incentive schemes implemented by any of the other companies within the Group.

4.5 The selection of a Participant, the number of Shares which are the subject of each Award to be granted to him, and the prescribed Vesting Period (if any) shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success of the Group and the extent of effort required to achieve the Performance Target within the performance period.

4.6 Subject to any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted and the Rules, the terms of eligibility for participation in the PSC Employee Restricted Share Plan 2022 may be amended from time to time at the absolute discretion of the Committee.

5. LIMITATIONS UNDER THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022

5.1 The total number of Shares that may be issued or are issuable pursuant to the granting of the Awards on any date, when added to the aggregate number of Shares that are issued or are issuable in respect of such other share-based incentive schemes of the Company (if any), shall not exceed fifteen per cent. (15.0%) (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued ordinary shares (excluding treasury shares) of the Company on the day immediately preceding the date on which the Award shall be granted.

5.2 For Performance-based Awards, Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon the Committee being satisfied that the Participant has achieved the Performance Target(s) and that the Vesting Period (if any) has expired provided always that the Committee shall have the absolute discretion to determine the extent to which the Shares under that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded, as the case may be, at the end of the prescribed performance period. No Shares under the Award shall be released for the portion of the prescribed Performance Target(s) that is not satisfied by the Participant at the end of the prescribed performance period.

- 5.3 For Non-performance-based Awards, Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon or after the Vesting Period has expired.
- 5.4 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards to be granted by the Committee under the PSC Employee Restricted Share Plan 2022.

6. GRANT DATE

The Committee may at its sole discretion grant Awards to any Participant at any time during the period when the PSC Employee Restricted Share Plan 2022 is in force except that, for so long as the Shares are listed and quoted on the SGX-ST, no Award shall be granted during the period of one (1) month immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is contemplated, the Award may only be granted on or after the second (2nd) Market Day on which such announcement is released.

7. AWARDS ENTITLEMENT

- 7.1 Awards represent the right of a Participant to receive fully-paid Shares free of charge. A Participant is entitled to receive fully-paid Shares free of charge subject to certain prescribed Performance Targets and/or Vesting Period being met.
- 7.2 For Performance-based Award, the Vesting Periods (if any) of Awards will be determined by the Committee but an Award may not be subject to such time restrictions before vesting.
- 7.3 For Non-performance-based Awards, the Vesting Periods of Awards will be determined by the Committee. The minimum Vesting Period for any Non-performance-based Award shall be one 1 year.
- 7.4 The selection of a Participant, the number of Shares which are the subject of each Award to be granted to him, and the prescribed Vesting Period (if any) shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success of the Group and the extent of effort required to achieve the Performance Target within the performance period.
- 7.5 The Committee shall decide, in relation to each Award to be granted to a Participant:
- (a) the date on which the Award is to be granted;
 - (b) the number of Shares which are the subject of the Award;
 - (c) the prescribed Vesting Period(s) (if applicable);
 - (d) the prescribed Performance Target(s) (if applicable); and
 - (e) the performance period during which the prescribed Performance Target(s) are to be satisfied.

- 7.6 Once an Award is finalised by the Committee, the Committee shall send an Award letter to the Participant confirming the said Award. The said Award letter shall specify, *inter alia*, the following:
- (a) the date on which the Award will be granted;
 - (b) the number of Shares which are the subject of the Award;
 - (c) the prescribed Performance Target(s);
 - (d) the performance period during which the prescribed Performance Target(s) are to be satisfied; and
 - (e) the Vesting Period, if any.

8. EVENTS PRIOR TO THE VESTING OF AN AWARD

- 8.1 Unless otherwise decided in the absolute discretion of the Committee, an Award shall, to the extent not yet vested, immediately lapse without any claim whatsoever against the Company:
- (a) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;
 - (b) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Award;
 - (c) subject to Rules 8.2 and 8.3, upon a Participant ceasing to be in the employment of the Group for any reason whatsoever other than a secondment or transfer of employment to an Associated Company; or
 - (d) in the event that the Committee shall at its discretion deem it appropriate that such Award to be given to a Participant shall so lapse on the grounds that any of the objectives of the PSC Employee Restricted Share Plan 2022 (as set out in Rule 3) have not been met.

For the purpose of Rule 8.1(c), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- 8.2 In the case of Performance-related Awards, if a Participant ceases to be employed by the Group, by reason of his:
- (a) ill health, injury, death, disability (in each case, evidenced to the satisfaction of the Committee);
 - (b) redundancy;
 - (c) retirement at or after the normal retirement age;
 - (d) retirement before that age with the consent of the Committee;

- (e) completion of the term of his service contract; or
- (f) for any other reason approved in writing by the Committee,

the Committee may, in its absolute discretion, decide that a Participant is entitled to an Award or any part thereof, so long as he has met the Performance Target(s) notwithstanding that he may have ceased to be so employed or ceased to hold office after the fulfilment of such Performance Target(s) and that the Vesting Period has not expired prior to the cessation of such employment or holding of office.

In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Target(s) have been satisfied.

If a Participant who has fulfilled his Performance Target(s) dies before an Award is vested, the Award shall in such circumstances be given to the duly appointed personal representatives of the Participant.

- 8.3 Save as provided and for the avoidance of doubt, an Award shall nevertheless be vested in a Participant for as long as he has fulfilled his Performance Target(s) (if applicable) and/or the Vesting Period (if applicable) has expired and notwithstanding a transfer of his employment within any company in the Group or an Associated Company or any apportionment of Performance Target(s) (if applicable) within any company within the Group.

9. TAKE-OVER, RECONSTRUCTION AND WINDING UP OF THE COMPANY

Performance-related Awards

- 9.1 Notwithstanding the provisions of Rule 8 but subject to Rule 9.5, in the event of a take-over being made for the Shares, a Participant shall (notwithstanding that the Vesting Period for the Award has not expired) be entitled to the Shares under the Performance-related Awards provided that he has met the Performance Target(s) (if applicable) which falls within the period commencing on the date on which such offer for a take-over of the Company is made or, if such offer is conditional, the date on which such offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
- (a) the expiry of six (6) months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date being a date falling not later than the last date on which the Performance Target(s) are to be fulfilled); or
 - (b) the date of expiry of the period for which the Performance Target(s) are to be fulfilled. Provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Companies Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Participant shall be obliged to fulfil such Performance Target(s) until the expiry of such specified date or the expiry date of the Performance Target(s) relating thereto, whichever is earlier, before an Award can be vested.

- 9.2 In the case of Performance-related Awards, if: (a) 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, or (b) there is a change of control (as defined in the Listing Manual) of the Company, each Participant who has fulfilled his Performance Target(s) shall be entitled, notwithstanding the provisions herein and the fact that the Vesting Period for such Award has not expired but subject to Rule 9.5, to any Awards so determined by the Committee to be vested in him during the period: (i) in the case of scenario (a) above, commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise, arrangement or amalgamation becomes effective, whichever is later; or if under the Companies Act, ACRA issues a notice of amalgamation, for the purposes of, or in connection with the amalgamation of the Company with another company or companies, each such Participant who has fulfilled his Performance Target(s) shall be entitled, notwithstanding Rule 9 and the non-expiry of the Vesting Period for the Award but subject to Rule 9.5, to any Awards so determined by the Committee to be vested in him during the period commencing on the date upon which the notice of amalgamation is issued by ACRA and ending either on the expiry of sixty (60) days thereafter or the date upon which the amalgamation becomes effective, whichever is later; or (ii) in the case of scenario (b) above, commencing on the date upon which the change of Control becomes effective and ending on the expiry of sixty (60) days thereafter.

Non-performance-related Awards

- 9.3 In the case of Non-performance-related Awards, 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, all unvested Awards shall be deemed to become null and void. For avoidance of doubt, all Non-performance-related Awards shall continue to be valid even if there is a change of control (as defined in the Listing Manual) of the Company.

Winding-up

- 9.4 If an order or an effective resolution is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that they may have been so vested shall be deemed to become null and void.
- 9.5 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), all Performance-related Awards shall so vest in the Participant for so long as, in the absolute determination by the Committee, the Participant has met the Performance Target(s) prior to the date that the members' voluntary winding-up shall be deemed to have been commenced or effective in law and all Non-performance-related Awards shall be deemed to become null and void.

Miscellaneous

- 9.6 If in connection with the making of a general offer referred to in Rule 9.1 or the Plan referred to in Rule 9.2 or the winding-up referred to in Rule 9.4, arrangements are made (which are confirmed in writing by the Auditors or an independent financial advisor, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or by any other form of benefit, no Award shall be made in such circumstances.

9.7 Without prejudice to any other provision contained in the Rules, the Committee shall have the absolute discretion to waive the full compliance of the Performance Target(s) and/or Vesting Period on the part of the Participant upon the occurrence of any of the events provided in this Rule 9. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Target(s) and/or Vesting Period have been satisfied.

10. VESTING

10.1 Subject to Rule 8 and Rule 9, an Award shall be vested in a Participant for as long as he has fulfilled his Performance Target(s) (if applicable) and/or the Vesting Period (if applicable) has expired.

10.2 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the PSC Employee Restricted Share Plan 2022 and the Constitution, the Company shall, within ten (10) Market Days after the vesting of an Award, allot and issue the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of treasury shares, do such acts or things which are necessary for the transfer to be effective.

10.3 The Company shall, as soon as practicable after such allotment, where necessary, apply to the SGX-ST for permission to deal in and for listing and quotation of such Shares.

10.4 Shares which are the subject of an Award shall be issued in or transferred to in the name of CDP or its nominees to the credit of the Securities Account of that Participant or the securities sub-account maintained with a Depository Agent.

10.5 Shares allotted and issued and/or treasury shares transferred, upon the vesting of an Award, shall be subject to all the provisions of the Constitution, and shall rank in full for all entitlements, excluding dividends, rights, allotments or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls on or before the date of issue of New Shares or the date of transfer of the treasury shares (as the case may be), and shall in all other respects rank *pari passu* with other existing Shares then in issue. “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

11. ADJUSTMENT EVENTS

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

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the PSC Employee Restricted Share Plan 2022, may, at the option of the Committee,

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

However, any adjustment shall be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.

11.2 Unless the Committee considers an adjustment to be appropriate:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities; or
- (b) the issue of securities by the Company as a consequence of the exercise of conversion rights/subscription rights in the Company's loan stock or warrants and any other securities convertible into Shares (including the exercise of any options granted under any employee share option scheme) or the delivery of Shares pursuant to the vesting of Awards from time to time by the Company or through any other share-based incentive schemes implemented by the Company; or
- (c) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force,

shall not normally be regarded as a circumstance requiring adjustment.

11.3 Notwithstanding the provisions of Rule 11.1:

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

11.4 Upon any adjustment required to be made pursuant to this Rule 11, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

12. ADMINISTRATION OF THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022

12.1 The PSC Employee Restricted Share Plan 2022 shall be administered by the Committee, which has the absolute discretion to determine persons who will be eligible to participate in the PSC Employee Restricted Share Plan 2022. However, a Participant who is a member of the Committee shall not be involved in any deliberation or decision in respect of Awards (as the case may be) to be granted to or held by that Participant.

12.2 Subject to the rules of the Listing Manual, the Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the PSC Employee Restricted Share Plan 2022) for the implementation and administration of the PSC Employee Restricted Share Plan 2022 as they think fit including, but not limited to:

- (a) imposing restrictions on the number of Awards that may be vested within each financial year; and
- (b) amending Performance Target(s) (if applicable) if by so doing, it would be a fairer measure of performance for a Participant or for the PSC Employee Restricted Share Plan 2022 as a whole and/or amending the Vesting Period (if applicable).

- 12.3 Neither the PSC Employee Restricted Share Plan 2022 nor the grant of Awards under the PSC Employee Restricted Share Plan 2022 shall impose on the Company or the Committee any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the PSC Employee Restricted Share Plan 2022;
 - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the PSC Employee Restricted Share Plan 2022; and/or
 - (c) any decision or determination of the Committee made pursuant to any provision of the PSC Employee Restricted Share Plan 2022.
- 12.4 Any decision of the Committee (including any decisions pertaining to the number of Shares to be vested) made pursuant to any provision of the PSC Employee Restricted Share Plan 2022 (other than a matter to be certified by the Auditors or an independent financial advisor) shall be final and binding in all cases including any disputes as to the interpretation of PSC Employee Restricted Share Plan 2022 or any rule, regulation, procedure thereunder or as to any rights under the PSC Employee Restricted Share Plan 2022.

13. NOTICES AND ANNUAL REPORT

- 13.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.
- 13.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address or electronic mail address according to the records of the Company or at the last known address or electronic mail address of the Participant.
- 13.3 Any notices or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notices or communication from the Company to a Participant shall be deemed to be received by that Participant when left at the address specified in Rule 13.2, or if sent by post, shall be deemed to have been given on the day following the date of posting, or if sent by electronic mail, on the day of despatch.
- 13.4 The Company shall make the following disclosures (as applicable) in its annual report for so long as the PSC Employee Restricted Share Plan 2022 continues in operation:
- (a) the names of the members of the Committee administering the PSC Employee Restricted Share Plan 2022;
 - (b) in respect of the following Participants of the PSC Employee Restricted Share Plan 2022:
 - (i) Participants who are Directors; and

- (ii) Participants (other than Directors) who have received Shares pursuant to the vesting of Awards which, in aggregate, represent five per cent. (5.0%) or more of the total number of Shares available under the PSC Employee Restricted Share Plan 2022,

the following information:

| Name of Participant | Number of Shares comprised in Award(s) granted to such Participant during the financial year under review (including terms) | Aggregate number of Shares comprised in Awards granted since the Adoption Date to the end of the financial year under review | Aggregate number of Shares comprised in Awards which have vested since the Adoption Date to the end of the financial year under review | Aggregate number of Shares comprised in Awards which have not been vested since the Adoption Date to the end of the financial year under review |
|---------------------|---|--|--|---|
|---------------------|---|--|--|---|

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

If any of the disclosure above in the foregoing of this Rule 13 is not applicable, an appropriate negative statement will be included in the annual report.

14. MODIFICATIONS TO THE PSC EMPLOYEE RESTRICTED SHARE PLAN

- 14.1 Any or all the provisions of the PSC Employee Restricted Share Plan 2022 may be modified and/or altered at any time and from time to time by resolution of the Committee, subject to compliance with the Listing Manual and such other regulatory authorities as may be necessary, except that:
- (a) any modification or alteration which would be to the advantage of Participants under the PSC Employee Restricted Share Plan 2022 shall be subject to the prior approval of Shareholders in a general meeting; and
 - (b) no modification or alteration shall be made without due compliance with the Listing Manual and the approval of the SGX-ST and such other regulatory authorities as may be necessary.
- 14.2 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 rules or provisions of the PSC Employee Restricted Share Plan 2022 in any way to the extent necessary to cause the PSC Employee Restricted Share Plan 2022 to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 14.3 In addition to the above, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of Participants under the PSC Employee Restricted Share Plan 2022 who, if their Awards were released to them, would thereby become entitled to not less than 75.0% of the aggregate number of all the issued Shares which would be issued upon vesting in full of all outstanding Awards under the PSC Employee Restricted Share Plan 2022.

- 14.4 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.
- 14.5 Shareholders who are eligible to participate in the PSC Employee Restricted Share Plan 2022 must abstain from voting on any resolution relating to the PSC Employee Restricted Share Plan 2022.

15. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant shall not be affected by his participation in the PSC Employee Restricted Share Plan 2022, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages (if any) on the termination of his employment for any reason.

16. DURATION OF THE PSC EMPLOYEE RESTRICTED SHARE PLAN 2022

- 16.1 The PSC Employee Restricted Share Plan 2022 shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the PSC Employee Restricted Share Plan 2022 may continue beyond the above stipulated period with the approval of the Shareholders by an ordinary resolution in a general meeting and of any relevant authorities which may then be required.
- 16.2 The PSC Employee Restricted Share Plan 2022 may be terminated at any time by the Committee or by an ordinary resolution of the Company in general meeting subject to all relevant approvals which may be required and if the PSC Employee Restricted Share Plan 2022 is so terminated, no further Awards shall be vested by the Company thereunder.
- 16.3 The termination of the PSC Employee Restricted Share Plan 2022 shall not affect Awards which have been granted but not yet vested, whether (i) such Shares have been allotted and issued and/or delivered (as the case may be) or not; or (ii) the treasury shares (if any) have been transferred or not.

17. TAXES

All taxes (including income tax) arising from the grant and/or disposal of Shares pursuant to the Awards granted to any Participant under the PSC Employee Restricted Share Plan 2022 shall be borne by that Participant.

18. COSTS AND EXPENSES

- 18.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the allotment and issue and/or transfer of any Shares in CDP's name, the deposit of share certificate(s) with CDP, the Participant's Securities Account or the Participant's securities sub-account with a CDP Depository Agent.
- 18.2 Save for the taxes referred to in Rule 17 and such other costs and expenses expressly provided in the PSC Employee Restricted Share Plan 2022 to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the PSC Employee Restricted Share Plan 2022 including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of Shares or transfer of treasury shares pursuant to the Awards shall be borne by the Company.

19. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, each Director, the Committee and any company within the Group, as the case may be, shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in allotting and issuing Shares, transferring treasury shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 10.2 (and any other stock exchange on which the Shares are quoted or listed).

20. 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.

21. CONDITION OF AWARDS

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

22. GOVERNING LAW

The PSC Employee Restricted Share Plan 2022 shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the PSC Employee Restricted Share Plan 2022, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

