

**CIRCULAR DATED 4 April 2017**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.**

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

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

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



**CSE GLOBAL LIMITED**

(Company Registration No: 198703851D)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS**

**in relation to:**

- (1) THE PROPOSED CSE PERFORMANCE SHARE PLAN 2017; AND**
- (2) THE PROPOSED SHARE PURCHASE MANDATE**

**IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	:	Tuesday, 18 April 2017 at 2.30 p.m.
Date and time of Extraordinary General Meeting	:	Thursday, 20 April 2017 at 2.30 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	Suntec Singapore International Convention & Exhibition Centre, Room No. 303 & 304 (Level 3), 1 Raffles Boulevard, Singapore 039593

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## DEFINITIONS

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

<b>“Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
<b>“AGM”</b>	:	The annual general meeting of the Company
<b>“associated company”</b>	:	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group
<b>“Associates”</b>	:	In the case of a company,  (a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:  (i) his immediately family;  (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and  (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;  (b) in relation to a Substantial Shareholder or 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
<b>“Auditors”</b>	:	The auditors of the Company
<b>“Award”</b>	:	A contingent award of Shares under the Performance Share Plan
<b>“Board”</b>	:	The board of directors of the Company
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular to the Shareholders dated 4 April 2017 in relation to the Performance Share Plan and the Share Purchase Mandate
<b>“Committee”</b>	:	The remuneration committee of the Company, or such other committee comprising Directors, duly authorised, appointed and nominated by the Board to administer the Performance Share Plan, from time to time
<b>“Company”</b>	:	CSE Global Limited

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## DEFINITIONS

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<b>“Constitution”</b>	:	The constitution of the Company, as amended or modified from time to time
<b>“Controlling Shareholders”</b>	:	A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines that such person is not a controlling shareholder); or (b) in fact exercises control over the Company
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Approved Nominees”</b>	:	Agent banks included under the CPFIS
<b>“Directors”</b>	:	The directors of the Company
<b>“Executive Director”</b>	:	A director of the Company who performs an executive function within the Company, from time to time
<b>“EGM”</b>	:	The Extraordinary General Meeting of the Company, notice of which is set out on pages 47 to 49 of this Circular
<b>“EPS”</b>	:	Earnings per Share
<b>“FY2016”</b>	:	Financial year ended 31 December 2016
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Group Employee”</b>	:	An Executive Director or employee of the Group who is of the age of 18 years and above
<b>“Latest Practicable Date”</b>	:	16 March 2017, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for securities trading
<b>“Notice of EGM”</b>	:	The notice of the EGM as set out on pages 47 to 49 of this Circular
<b>“NAV”</b>	:	Net assets value
<b>“Off-Market Share Purchase”</b>	:	A Share Purchase by the Company (if effected otherwise than on the SGX-ST) pursuant to an equal access scheme (as defined under Section 76C of the Act) for the purchase of Shares from the Shareholders
<b>“On-Market Share Purchase”</b>	:	A Share Purchase by the Company effected on the SGX-ST through ready market, through one or more duly licensed stock brokers appointed by the Company for the purpose
<b>“Ordinary Resolutions”</b>	:	The ordinary resolutions set out in the Notice of EGM

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## DEFINITIONS

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<b>“Participant”</b>	:	An eligible person who is selected by the Committee to participate in the Performance Share Plan in accordance with the rules thereof
<b>“Performance Condition”</b>	:	In relation to performance-relation Award, the conditions specified on the date of grant in relation to that Award
<b>“Performance Share Plan”</b>	:	The proposed CSE Performance Share Plan 2017, as modified or amended from time to time
<b>“Performance Target(s)”</b>	:	The performance target(s) prescribed by the Committee to be fulfilled by a Participant for any particular period under the Performance Share Plan
<b>“Proxy Form”</b>	:	The proxy form as set out in this Circular
<b>“Registrar”</b>	:	The Registrar of Companies appointed under the Act and includes any Deputy or Assistant Registrar of Companies
<b>“Rules”</b>	:	The rules of the Performance Share Plan, as the same may be amended from time to time
<b>“Securities Account”</b>	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	The registered holders of Shares except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and whose Securities Accounts are credited with such Shares
<b>“Share Purchase”</b>	:	Purchase of Shares by the Company pursuant to the Share Purchase Mandate
<b>“Share Purchase Mandate”</b>	:	The proposed general mandate to authorise the directors of the Company to purchase, on behalf of the Company, Shares in accordance with the terms as set out in this Circular
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“Substantial Shareholder”</b>	:	A person (including a corporation) who has an interest (direct or indirect) in 5% or more of the total issued Shares of the Company
<b>“Take-over Code”</b>	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time

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## DEFINITIONS

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<b>“Vesting”</b>	:	In relation to Shares which are the subject of an Award, the absolute entitlement to all or some of the Shares which are the subject of an Award and <b>“Vest”</b> and <b>“Vested”</b> shall be construed accordingly
<b>“Vesting Period”</b>	:	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
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents respectively
<b>“%”</b>	:	Percentage or per centum

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the respective meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

The term **“Treasury Shares”** shall have the meaning ascribed to it in Section 4 of the Act.

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

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

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

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

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

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

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## LETTER TO SHAREHOLDERS

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### CSE GLOBAL LIMITED

(Company Registration No: 198703851D)  
(Incorporated in the Republic of Singapore)

#### Directors:

Lim Ming Seong  
Lim Boon Kheng  
Lee Soo Hoon Phillip  
Lim Boh Soon  
Sin Boon Ann  
Lam Kwok Chong  
Tan Hien Meng  
Lee Kong Ting

#### Registered Office:

50 Raffles Place #32-01  
Singapore Land Tower  
Singapore 048623

4 April 2017

To : The Shareholders of CSE Global Limited

Dear Sir/Madam

- (1) **THE PROPOSED CSE PERFORMANCE SHARE PLAN 2017; AND**  
(2) **THE PROPOSED SHARE PURCHASE MANDATE**

#### 1. INTRODUCTION

##### 1.1 EGM

The Directors propose to convene the EGM to be held at Suntec Singapore International Convention & Exhibition Centre Room No. 303 & 304 (Level 3), 1 Raffles Boulevard, Singapore 039593 on Thursday, 20 April 2017 at 2.30 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) to seek the approval of the Shareholders for the following proposals:

- (a) the Performance Share Plan; and  
(b) the Share Purchase Mandate.

The Company intends to adopt the Performance Share Plan and to purchase existing Shares for transfer to Participants on Vesting of their Awards under the Performance Share Plan. The Performance Share Plan will be proposed as Ordinary Resolution 1 and the Share Purchase Mandate will be proposed as Ordinary Resolution 2 at the EGM. Accordingly, Shareholders should note that the Ordinary Resolution 2 (the Proposed Share Purchase Mandate) is subject to and contingent upon Ordinary Resolution 1 (the Proposed CSE Performance Share Plan 2017) being passed. This means that if Ordinary Resolution 1 is not passed, Ordinary Resolution 2 would not be passed.

##### 1.2 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval at the EGM for the proposals.

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## LETTER TO SHAREHOLDERS

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### 2. THE PROPOSED PERFORMANCE SHARE PLAN

#### 2.1 Introduction

The Directors are proposing the adoption of the Performance Share Plan.

#### 2.2 Rationale for the proposed adoption of the Performance Share Plan

The Company has undertaken a comprehensive review of the Group's remuneration and benefits to its employees and wishes to adopt a compensation scheme that promotes higher performance goals and recognises exceptional achievement of employees. The Company, in its quest to be competitive, has taken steps to align itself with and embrace local trends and best practices in compensation. In line with this, the Company believes that the Performance Share Plan needs to be adopted to strengthen the overall effectiveness of the Group's remuneration and benefits to its employees.

The Group recognises that the ability of talented, qualified and experienced employees is necessary for the stability and growth of the Group. The continued services and contributions made by eligible employees to participate in the Performance Share Plan are crucial and essential to the well-being and success of the Group. The Group believes that the Performance Share Plan will increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance as the objectives of the plan is to give recognition to positive achievements and contributions made by eligible employees. Through such equity participation, the Group hopes to strengthen its relationship with the Participants by motivating these Participants to achieve higher standards of performance as well as to encourage loyalty which will in turn contribute to the Group's long term goals.

The Performance Share Plan gives the Company greater flexibility in rewarding its employees by imposing specific or medium-term performance targets or time-based service conditions, or a combination of both.

The award of fully-paid Shares under the Performance Share Plan, free of charge, to the Participants is intended to incentivise Participants to achieve certain specific performance targets.

The Performance Share Plan will help to achieve the following positive objectives:

- (a) to motivate employees to strive towards performance excellence and to maintain a high level of contribution to the Group;
- (b) to provide an opportunity for Participants of the Performance Share Plan to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organisational commitment, dedication and loyalty of Participants towards the Group;
- (c) to give recognition to contributions made or to be made by employees by introducing a variable component into their remuneration package; and
- (d) to make employee remuneration sufficiently competitive to attract recruit of new employees and/or to retain existing employees whose contributions are important to the long-term growth and profitability of the Group.



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## LETTER TO SHAREHOLDERS

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The Performance Share Plan, which forms an integral and important component of a compensation plan, is designed as an additional incentive tool to reward and retain the Participants whose services are vital to the well-being and success of the Group.

The Performance Share Plan is subject to the approval of the Shareholders and will be proposed as Ordinary Resolution 1 at the EGM.

### 2.3 Summary of the Performance Share Plan

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

#### (a) *Eligibility*

The following persons are eligible to participate in the Performance Share Plan at the absolute discretion of the Committee:

- (i) all employees of the Group who are of the age of 18 years and above; and
- (ii) Executive Directors of the Company,

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

Persons who are Controlling Shareholders and their Associates and directors and employees of associated companies shall not be eligible to participate in the Performance Share Plan. As at the Latest Practicable Date, the Group does not have any associated company. Further, the Company does not have any parent company and accordingly, the Participants of the Performance Share Plan shall not include any directors and/or employees of the Company's parent company and its subsidiaries.

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

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 shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as the Participant's 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(s) within the performance period.

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 Performance Share Plan may be amended from time to time at the absolute discretion of the Committee.

#### (b) *Limitation on the size and duration of the Performance Share Plan*

The maximum number of Shares that the Company may grant under the Performance Share Plan shall not exceed 5% of the total number of issued Shares (excluding Treasury Shares) of the Company on the day immediately preceding the date on which the Award shall be granted. The Company shall purchase existing Shares for transfer to

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## LETTER TO SHAREHOLDERS

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Participants in respect of the Awards. No new Shares will be issued by the Company pursuant to the Awards.

In addition, the total number of Shares that may be transferred or are transferable pursuant to the granting of the Awards on any date (which shall not exceed 5% of the total number of issued Shares, excluding Treasury Shares, of the Company on the day immediately preceding the date on which the Award shall be granted), 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%) of the total number of issued Shares (excluding Treasury Shares) of the Company on the day immediately preceding the date of grant of the Award.

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.

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

As at the Latest Practicable Date, the total number of issued Shares is 516,067,852. The aggregate number of Shares available under the Performance Share Plan would be 25,803,392.

The Performance Share Plan shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing from the date of adoption. The termination of the Performance Share Plan shall not affect Awards which have been granted but not yet vested.

(c) *Operation of the Performance Share Plan*

The Company shall purchase existing Shares for transfer to Participants on Vesting of their Awards. 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 Performance Share Plan and the Constitution, the Company shall, upon the Vesting of an Award, transfer Treasury Shares and do such acts or things which are necessary for the transfer of Treasury Shares to be effective.

(d) *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 the number of Shares which are the subject of an Award to the extent not yet vested; and/or

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## LETTER TO SHAREHOLDERS

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- (ii) the class and/or number of Shares over which future Awards may be granted under the Performance Share Plan,

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

No 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 (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

When any adjustment has to be made pursuant to the Performance Share Plan, 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 number of Shares thereafter to be issued or transferred pursuant to an Award. Any adjustment shall take effect upon such written notification being given.

(e) *Modifications to the Performance Share Plan*

Any or all of the provisions of the Performance Share Plan 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:

- (i) any modification or alteration which would be to the advantage of the Participants under the Performance Share Plan shall be subject to the prior approval of the Shareholders in general meeting; and
- (ii) 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 rules or provisions of the Performance Share Plan in any way to the extent necessary to cause the Performance Share Plan to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

Save for any modification or alteration effected to cause the Performance Share Plan to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST) as contemplated in the paragraph above, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consents of such number of Participants under the relevant share plan 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 exercise in full of all outstanding Awards under the Performance Share Plan.

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## LETTER TO SHAREHOLDERS

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No alteration shall be made to the Performance Share Plan relating to the matters contained in Rules 844 to 849 of the Listing Manual and Rules 853 to 854 of the Listing Manual to the advantage of the Participants without the prior approval of Shareholders in general meeting.

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

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

(f) *Grant of Awards*

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;
- (iv) the prescribed Performance Target(s);
- (v) the performance period during which the prescribed Performance Target(s) are to be satisfied;
- (vi) the extent to which Shares which are the subject of that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period; and
- (vii) the extent to which Shares, which are the subject of that Award, shall be released at the end of each prescribed Vesting Period.

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:

- (i) the date on which the Award will be granted;
- (ii) the number of Shares which are the subject of the Award;
- (iii) the prescribed Performance Target(s);
- (iv) the performance period during which the prescribed Performance Target(s) are to be satisfied;
- (v) the Vesting Period, if any; and
- (vi) the extent to which Shares which are the subject of that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period.

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## LETTER TO SHAREHOLDERS

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(g) *Events prior to the Vesting of the Awards*

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; or
- (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; or
- (iii) upon a Participant, being a Group Employee ceasing to be in the employment of the Group for any reason whatsoever; 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 Performance Share Plan have not been met.

If a Participant, being a Group Employee 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); or
- (ii) redundancy; or
- (iii) retirement at or after the normal retirement age; or
- (iv) retirement before that age with the consent of the Committee; or
- (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 (if any) 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.

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## LETTER TO SHAREHOLDERS

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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) and the Vesting Period (if any) has expired and notwithstanding a transfer of his employment within any company in the Group or any apportionment of Performance Target(s) within any company within the Group.

### 2.4 Disclosure in Annual Report

The Company, as required by law or the SGX-ST or other relevant authority, shall make the following disclosures (as applicable) in its annual report for so long as the Performance Share Plan continues in operation:

- (a) the names of the members of the Committee administering the Performance Share Plan;
- (b) the information in the table below for the following Participants:
  - (i) Directors;
  - (i) Controlling Shareholders and their Associates (where applicable); and
  - (ii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the Vesting of Awards which, in aggregate, represent five percent (5%) or more of the total number of Shares available under the Performance Share Plan;

Name of Participant	Aggregate number of Shares comprised in Awards granted during the financial year under review (including terms)	Aggregate number of Shares comprised in Awards granted since the commencement of the Performance Share Plan to end of financial year under review	Aggregate number of Shares comprised in Awards granted which have vested since the commencement of the Performance Share Plan to end of financial year under review, and in respect of such Awards, the proportion of new Shares issued or Treasury Shares transferred upon the release of the vested Awards	Aggregate number of Shares comprised in Awards which have not been vested at end of financial year under review

- (c) in respect of Awards granted to directors and employees of the parent company and its subsidiaries (where applicable):
  - (i) the names of the person, the number of Shares comprised in the Awards and the terms of the Awards granted to each such person who receives Shares pursuant to the Vesting of Awards which represent five percent (5%) or more of the total number of Shares available to all directors and employees of the parent company and its subsidiaries under the Performance Share Plan, during the financial year under review; and
  - (ii) the aggregate number of Shares comprised in the Awards granted to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of the Performance Share Plan to the end of the financial year under review.

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## LETTER TO SHAREHOLDERS

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- (d) such other information as may be required by the Listing Manual and the Act; and
- (e) if any of the above is not applicable, an appropriate negative statement must be included in the annual report.

### 2.5 Role and Composition of the Committee

The Performance Share Plan shall be administered by the Committee, which has the absolute discretion to determine persons who will be eligible to participate in the Performance Share Plan. 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.

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 Performance Share Plan) for the implementation and administration of the Performance Share Plan as the Committee thinks 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 the Performance Target(s) if, by so doing, it would be a fairer measure of performance for a Participant or for the Performance Share Plan as a whole and/or amending the Vesting Period (if any).

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

### 2.6 Financial Effects of the Performance Share Plan

#### 2.6.1 *Cost of Awards*

Financial Reporting Standard 102 (“**FRS 102**”) relating to share-based payments takes effect for all listed companies beginning 1 January 2005. Participants will receive Shares in settlement of the Awards and the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to profit or loss over the period between the date of the Award and the vesting date of an Award. For Awards, the total amount of charge over the Vesting Period is determined by reference to the fair value of each Award granted at the date of Award and the number of Shares Vested at the vesting date, with a corresponding credit to reserve account. Before the end of the Vesting Period, at each accounting year end, the estimate of the number of Awards that are expected to Vest by the vesting date is revised, and the impact of the revised estimate is recognized in profit or loss with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to profit or loss is made.

The amount charged to profit or loss also depends on whether or not the Performance Condition attached to an Award is measured by reference to the market price of the

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Shares. This is known as a market condition. If the Performance Condition is a market condition, the probability of the Performance Condition being met is taken into account in estimating the fair value of the Award granted at the grant date, and no adjustments to the amounts charged to profit or loss are made whether or not the market condition is met. However, if the Performance Condition is not a market condition, the fair value per Share of the Awards granted at the grant date is used to compute the amount to be charged to profit or loss at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to Vest. Thus, where the Vesting conditions do not include a market condition, there would be no cumulative charge to profit or loss if the Awards do not ultimately Vest.

### 2.6.2 *Share capital*

As the Company shall only purchase existing Shares for transfer to Participants *in lieu* of issuing new Shares to Participants, the Performance Share Plan will have no impact on the Company's issued share capital.

### 2.6.3 *NTA*

As described under Section 2.6.4 of this Circular entitled "**EPS**", the Performance Share Plan will result in a charge to the Company's and the Group's profit and loss account equal to the market value at which the existing Shares which are purchased for transfer to Participants under the Awards. Where existing Shares are purchased for transfer to the Participants, the NTA of the Group and the Company would decrease by the amount charged.

Although the Performance Share Plan will result in a charge to the profit and loss account of the Company and the Group, it should be noted that Awards are granted only on a selective basis and will be granted to Participants whom the Company believes would have contributed or will contribute significant value in its success including financial performance. In particular, the grant of Awards and transfer of existing Shares to Participants under the Performance Share Plan, are contingent upon the Participants meeting prescribed Performance Conditions. Therefore, Participants would have contributed to or will contribute to significant value add to the NTA of the Company and the Group before the Awards are granted and Shares are transferred to the Participants.

### 2.6.4 *EPS*

The Performance Share Plan will result in a charge to earnings equivalent to the market value at which the existing Shares are purchased for transfer to the Participants in respect of the Awards.

Although the Performance Share Plan will have a dilutive impact on the EPS of the Company and the Group, the transfer of Shares to Participants in respect of Awards granted under the Performance Share Plan, is contingent upon the Participants meeting prescribed conditions. Accordingly, the earnings of the Company and the Group should have grown before the Awards are granted and Shares are transferred to the Participants.

### 2.6.5 *Dilutive impact*

It is expected that any dilutive impact of the Performance Share Plan on the NTA and the EPS of the Company and the Group would not be significant.



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### 2.7 Previous schemes

The Company had previously adopted the CSE Global Limited Executives' Share Option Scheme and the CSE (US Subsidiaries) Incentive Stock Option Plan.

#### 2.7.1 *CSE Global Limited Executives' Share Option Scheme (the "Option Scheme")*

The Option Scheme was approved and adopted by the Shareholders at an extraordinary general meeting of the Company held on 22 January 1999. The duration of the Option Scheme was 10 years commencing on 22 January 1999. The Option Scheme has accordingly expired on 21 January 2009.

As at the Latest Practicable Date, there are no outstanding and unexercised options under the Option Scheme. Since the commencement of the Option Scheme, an aggregate of 31,004,500 options had been exercised.

Details of the options granted to the Directors and employees of the Company under the Option Scheme are as follows:

Date of grant	Number of participants <sup>(1)</sup>	Aggregate number of options granted	Aggregate number of Shares allotted upon exercise of the Option Scheme	Number of options cancelled or lapsed
1 October 1999	148	6,430,000	-	6,430,000
30 October 2000	111	8,350,000	6,715,000	1,635,000
30 April 2001	1	200,000	200,000	-
30 October 2001	169	8,040,000	6,612,000	1,428,000
30 October 2002	101	9,248,500	7,223,000	2,025,500
10 September 2003	1	500,000	500,000	-
31 December 2003	99	10,709,000	9,754,500	954,500
<b>Total</b>	<b>630</b>	<b>43,477,500</b>	<b>31,004,500</b>	<b>12,473,000</b>

**Note:**

- (1) Such participants being Directors and employees of the Company as at the date of options granted pursuant to the Option Scheme.

There were no options granted under the Option Scheme to participants who are Controlling Shareholders and their Associates.

There were no material conditions to which the share options granted under the Option Scheme are subject to.

#### 2.7.2 *CSE (US Subsidiaries) Incentive Stock Option Plan (the "Option Plan")*

The Option Plan was approved and adopted by the Shareholders at an extraordinary general meeting of the Company held on 9 October 2001. The duration of the Option Plan was 10 years commencing on 9 October 2001 and the Option Plan has accordingly expired on 8 October 2011.

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As at the Latest Practicable Date, there are no outstanding and unexercised options under the Option Plan. Since the commencement of the Option Plan, an aggregate of 4,303,000 options had been exercised.

Details of the options granted to the Directors and employees of the Company under the Option Plan are as follows:

Date of grant	Number of participants <sup>(1)</sup>	Aggregate number of options granted	Aggregate number of Shares allotted upon exercise of the Option Plan	Number of options cancelled or lapsed
30 October 2001	51	1,585,000	1,360,000	225,000
31 October 2002	56	1,793,500	1,557,500	236,000
31 December 2003	53	1,671,000	1,385,500	285,500
<b>Total</b>	<b>160</b>	<b>5,049,500</b>	<b>4,303,000</b>	<b>746,500</b>

**Note:**

(1) Such participants being Directors and employees of the Company as at the date of options granted pursuant to the Option Plan.

There were no options granted under the Option Plan to participants who are Controlling Shareholders and their Associates.

There were no material conditions to which the share options granted under the Option Plan are subject to.

### 3. THE PROPOSED SHARE PURCHASE MANDATE

#### 3.1 The Share Purchase Mandate

Under the Act, a company may purchase its own ordinary shares, stocks and preference shares if its constitution allows them to do so. Article 51A of the Constitution permits the Company to, *inter alia*, purchase or otherwise acquire, its Shares.

Any purchase or acquisition of shares by the company would have to be made in accordance with and in the manner prescribed by the Act and the Listing Manual and such other laws and regulations as may, for the time being, be applicable. It is also a requirement that a company which wishes to purchase or acquire its own shares should obtain approval of its shareholders at a general meeting of its shareholders.

Accordingly, Shareholders' approval is being sought for the Share Purchase Mandate. If the Share Purchase Mandate is approved by Shareholders, it will remain in force until (i) the date on which the next AGM is held or required by law to be held; or (ii) the date on which the Share Purchases are carried out to the full extent mandated; or (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting, whichever is the earliest.

### 3.2 Rationale for the Share Purchase Mandate

The Share Purchase Mandate would give the Company the flexibility to undertake Share Purchases at any time, subject to market conditions, during its validity period. The Share Purchase Mandate will enable the Company to purchase Shares and hold them as Treasury Shares for the purposes of transferring to Participants on Vesting of their Awards under the Performance Share Plan.

If and when circumstances permit, the Directors will decide whether to effect the Share Purchases *via* On-Market Share Purchases or Off-Market Share Purchases, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

The Share Purchases would be made only as and when the Directors consider it to be in the best interests of the Company and in appropriate circumstances which the Directors believe will not result in any material adverse effect to the financial position of the Company or the Group. The Directors will use their best efforts to ensure that after a Share Purchase, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

### 3.3 Authority and Limits on the Share Purchase Mandate

The authority and limits placed on the Share Purchases under the Share Purchase Mandate are set out below:

#### 3.3.1 Maximum number of Shares

- (a) Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired pursuant to the Share Purchase Mandate shall not exceed 5% of the total issued Shares of the Company (excluding Treasury Shares) as at the date of the EGM at which approval for the Share Purchase Mandate is being sought (the “**Approval Date**”). This is less than the 10% limit permitted under Rule 882 of the Listing Manual. Under the Act, any Shares which are held as Treasury Shares will be disregarded for the purpose of computing the 5% limit.
- (b) For illustrative purposes only, on the basis of 516,067,852 issued Shares as at the Latest Practicable Date, and assuming that no further Shares are issued prior to the EGM, not more than 25,803,392 Shares (representing 5% of the total number of issued Shares as at that date) may be purchased by the Company pursuant to the proposed Share Purchase Mandate during the duration referred to in Section 3.3.2 below.

#### 3.3.2 Duration of authority

- (a) Share Purchases may be made, at any time and from time to time, on and from the Approval Date up to:
  - (i) the date on which the next AGM is held or required by law to be held; or
  - (ii) the date on which the Share Purchases are carried out to the full extent mandated; or

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- (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

- (b) The authority conferred on the Directors by the Share Purchase Mandate to purchase Shares may be renewed annually.

### 3.3.3 Manner of Share Purchases

- (a) Share Purchases may be made by way of:
  - (i) an On-Market Share Purchase; and/or
  - (ii) an Off-Market Share Purchase.
- (b) The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. However, an Off-Market Share Purchase effected in accordance with an equal access scheme must satisfy all the following conditions:
  - (i) offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
  - (ii) all of those persons 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:
    - (1) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
    - (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and
    - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.
- (c) In addition, the Listing Manual provides that, 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 acceptance;
  - (iii) the reasons for the proposed Share Purchase;
  - (iv) the consequences, if any, of Share Purchases that will arise under the Take-over Code or other applicable take-over rules;

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- (v) whether the Share Purchase, if made, could affect the listing of the Shares on the SGX-ST;
- (vi) details of any Share Purchases made by the Company during the previous 12 months (whether On-Market Share Purchases or Off-Market Share Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases; and
- (vii) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

### 3.3.4 Maximum Purchase Price

- (a) The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.
- (b) However, the purchase price to be paid for the Shares pursuant to the Share Purchase Mandate must not exceed:
  - (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and
  - (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price of the Shares,(the “**Maximum Price**”).
- (c) For the above purposes, “**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days, on which transactions in the Shares were recorded, before the day on which the On-Market Share Purchase was made or, as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Share Purchase and deemed to be adjusted for any corporate action that occurs after the relevant 5 Market Days.

### 3.4. **Status of purchased Shares**

3.4.1 Under Section 76B of the Act, any Share which is purchased shall, unless held as a Treasury Share, be deemed cancelled immediately on purchase, and all rights and privileges attached to that Share will expire on cancellation. All Shares purchased by the Company, unless held as Treasury Shares, will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

3.4.2 Some of the provisions on Treasury Shares under the Act are summarised below:

(a) Maximum Holdings

The number of Shares held as Treasury Shares shall not at any time exceed 5% of the total number of issued Shares and the Company shall be entered in the Register of Members or the Depository Register, as the case may be, as the member holding those Shares.

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(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 Act, the Company shall be treated as having no right to vote in respect of Treasury Shares 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 the 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 greater or smaller number, as the case may be, is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

(c) Disposal and Cancellation

Where Shares purchased or acquired by the Company are held as Treasury Shares, the Company may at any time:

- (i) sell the Treasury Shares (or any of them) for cash;
- (ii) transfer the Treasury Shares (or any of them) for the purposes of or pursuant to any share scheme, whether for the Company's employees, directors or other persons;
- (iii) transfer the Treasury Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the Treasury Shares (or any of them); or
- (v) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance.

3.4.3 The Shares purchased under the Share Purchase Mandate will be held as Treasury Shares or cancelled by the Company taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of Treasury Shares, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of Treasury Shares sold, transferred, cancelled and/or used;
- (d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (e) 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
- (f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

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### 3.5 Reporting Requirements

- 3.5.1 Within 30 days of the passing of a Shareholders' resolution to approve or renew the Share Purchase Mandate, the Company shall lodge a copy of such resolution with the Registrar.
- 3.5.2 The Company shall lodge with the Registrar a notice of Share Purchase within 30 days of such Share Purchase. Such notification shall include the date of the purchases, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Treasury Shares held, the Company's issued share capital before and after the purchases, the amount of consideration paid by the Company for the purchases, whether the Shares were purchased out of the profits or the capital of the Company and such other particulars as may be required in the prescribed form.
- 3.5.3 Within 30 days of the cancellation or disposal of Treasury Shares in accordance with the Act, the Company shall lodge with the Registrar a notice of the cancellation or disposal of Treasury Shares with such particulars as may be required in the prescribed form.

### 3.6 Source of Funds

- 3.6.1 The Company may only apply funds for the Share Purchases in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than in cash and in the case of an On-Market Share Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.
- 3.6.2 The Company intends to use internal sources of funds to finance its Share Purchases.
- 3.6.3 The Act stipulates that any purchases of Shares may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the Share Purchases is made out of profits, such consideration will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the Share Purchases is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced. The Act further stipulates that a payment for such purchase of shares shall include any expenses (including brokerage or commission) incurred directly in the purchase.

### 3.7 Financial Effects

- 3.7.1 The financial effects on the Company and the Group arising from the Share Purchases will depend on, *inter alia*, whether the Share Purchases are made by way of On-Market Share Purchases or Off-Market Share Purchases, the price paid for such Shares and whether the Shares are held in treasury or cancelled.
- 3.7.2 For illustrative purposes only, the financial effects on the Company and the Group arising from the Share Purchases, based on the audited financial statements of the Company and the Group for FY2016, are prepared assuming the following:
- (a) the Share Purchases comprised 25,803,392 Shares (representing the maximum 5% allowed under the Share Purchase Mandate of the 516,067,852 issued Shares excluding Treasury Shares, as at the Latest Practicable Date);

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- (b) in the case of On-Market Share Purchases, the Maximum Price was S\$0.55 (being 5% above the Average Closing Price prior to the Latest Practicable Date) and accordingly, the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such On-Market Share Purchases would amount to approximately S\$14,191,866;
- (c) in the case of Off-Market Share Purchases, the Maximum Price was S\$0.625 (being 20% above the Average Closing Price prior to the Latest Practicable Date) and accordingly, the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such Off-Market Share Purchases would amount to approximately S\$16,127,120;
- (d) the Share Purchases were made out of the Company's capital;
- (e) the Share Purchases took place on 1 January 2016 and the Shares purchased were (i) cancelled; or (ii) held as Treasury Shares; and
- (f) the Share Purchases were financed by internal source of funds.



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### (A) On-Market Share Purchases

	Group			Company		
	Before Share Purchases S\$'000	After Share Purchases		Before Share Purchases S\$'000	After Share Purchases	
		Share Purchases cancelled S\$'000	Share Purchases held by Treasury Shares S\$'000		Share Purchases cancelled S\$'000	Share Purchases held by Treasury Shares S\$'000
<b>As at 31 December 2016</b>						
Share capital	98,542	84,350	98,542	98,542	84,350	98,542
Other reserves	(18,824)	(18,824)	(18,824)	9,876	9,876	9,876
Retained earnings	171,632	171,632	171,632	21,899	21,899	21,899
Treasury Shares	-	-	(14,192)	-	-	(14,192)
	251,350	237,158	237,158	130,317	116,125	116,125
Non-controlling interests	3,498	3,498	3,498	-	-	-
Total Equity	254,848	240,656	240,656	130,317	116,125	116,125
Current assets	239,722	225,530	225,530	22,525	10,672	10,672
Current liabilities	(74,089)	(74,089)	(74,089)	(106,880)	(109,219)	(109,219)
Non-current assets	98,900	98,900	98,900	218,672	218,672	218,672
Non-current liabilities	(9,685)	(9,685)	(9,685)	(4,000)	(4,000)	(4,000)
Net Asset Value (NAV)	254,848	240,656	240,656	130,317	116,125	116,125
Total borrowings	20,581	20,581	20,581	8,889	8,889	8,889
Less: Cash and cash equivalents	90,778	76,586	76,586	11,853	-	-
Net debt / (cash) <sup>(1)</sup>	(70,197)	(56,005)	(56,005)	(2,964)	8,889	8,889
Profit after tax and non-controlling interests	21,189	21,189	21,189	12,039	12,039	12,039
Number of Shares outstanding as at 31 December 2016 ('000)	516,068	490,264	490,264	516,068	490,264	490,264
Weighted average number of Shares as at 31 December 2016	516,068	490,264	490,264	516,068	490,264	490,264
- Basic ('000)	516,068	490,264	490,264	516,068	490,264	490,264
- Diluted ('000)	516,068	490,264	490,264	516,068	490,264	490,264
<b>Financial Ratios</b>						
NAV per share <sup>(2)</sup> (cents)	48.70	48.37	48.37	25.25	23.69	23.69
Gross debt gearing <sup>(3)</sup> (times)	0.08	0.09	0.09	0.07	0.08	0.08
Net debt / (cash) ratio <sup>(4)</sup> (times)	(0.28)	(0.23)	(0.23)	(0.02)	0.08	0.08
Current ratio <sup>(5)</sup> (times)	3.24	3.04	3.04	0.21	0.10	0.10
EPS <sup>(6)</sup> (cents)						
- Basic	4.11	4.32	4.32	2.33	2.46	2.46
- Diluted	4.11	4.32	4.32	2.33	2.46	2.46

**Notes:**

- (1) "Net debt" represents total borrowings less cash and bank balances and other deposits with financial institutions.
- (2) "NAV per share" represents net asset value after non-controlling interests divided by the number of Shares as at 31 December 2016.
- (3) "Gross debt gearing" represents total borrowings divided by shareholders' funds.
- (4) "Net debt / (cash) ratio" represents net debt / (cash) divided by shareholders' funds.
- (5) "Current ratio" represents current assets divided by current liabilities.
- (6) "Basic EPS" represents profit after tax and non-controlling interests divided by the weighted average number of Shares as at 31 December 2016.

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### (B) Off-Market Share Purchases

	Group			Company		
	Before Share Purchases S\$'000	After Share Purchases		Before Share Purchases S\$'000	After Share Purchases	
		Share Purchases cancelled S\$'000	Share Purchases held by Treasury Shares S\$'000		Share Purchases cancelled S\$'000	Share Purchases held by Treasury Shares S\$'000
<b>As at 31 December 2016</b>						
Share capital	98,542	82,415	98,542	98,542	82,415	98,542
Other reserves	(18,824)	(18,824)	(18,824)	9,876	9,876	9,876
Retained earnings	171,632	171,632	171,632	21,899	21,899	21,899
Treasury Shares	-	-	(16,127)	-	-	(16,127)
	251,350	235,223	235,223	130,317	114,190	114,190
Non-controlling interests	3,498	3,498	3,498	-	-	-
Total Equity	254,848	238,721	238,721	130,317	114,190	114,190
Current assets	239,722	223,595	223,595	22,525	10,672	10,672
Current liabilities	(74,089)	(74,089)	(74,089)	(106,880)	(111,541)	(111,541)
Non-current assets	98,900	98,900	98,900	218,672	218,672	218,672
Non-current liabilities	(9,685)	(9,685)	(9,685)	(4,000)	(4,000)	(4,000)
Net Asset Value (NAV)	254,848	238,721	238,721	130,317	114,190	114,190
Total borrowings	20,581	20,581	20,581	8,889	8,889	8,889
Less: Cash and cash equivalents	90,778	74,651	74,651	11,853	-	-
Net debt / (cash) <sup>(1)</sup>	(70,197)	(54,070)	(54,070)	(2,964)	8,889	8,889
Profit after tax and non-controlling interests	21,189	21,189	21,189	12,039	12,039	12,039
Number of Shares outstanding as at 31 December 2016 ('000)	516,068	490,264	490,264	516,068	490,264	490,264
Weighted average number of Shares as at 31 December 2016	516,068	490,264	490,264	516,068	490,264	490,264
- Basic ('000)	516,068	490,264	490,264	516,068	490,264	490,264
- Diluted ('000)	516,068	490,264	490,264	516,068	490,264	490,264
<b>Financial Ratios</b>						
NAV per share <sup>(2)</sup> (cents)	48.70	47.98	47.98	25.25	23.29	23.29
Gross debt gearing <sup>(3)</sup> (times)	0.08	0.09	0.09	0.07	0.08	0.08
Net debt / (cash) ratio <sup>(4)</sup> (times)	(0.28)	(0.23)	(0.23)	(0.02)	0.08	0.08
Current ratio <sup>(5)</sup> (times)	3.24	3.02	3.02	0.21	0.10	0.10
EPS <sup>(6)</sup> (cents)						
- Basic	4.11	4.32	4.32	2.33	2.46	2.46
- Diluted	4.11	4.32	4.32	2.33	2.46	2.46

**Notes:**

- (1) "Net debt" represents total borrowings less cash and bank balances and other deposits with financial institutions.
- (2) "NAV per share" represents net asset value after non-controlling interests divided by the number of Shares as at 31 December 2016.
- (3) "Gross debt gearing" represents total borrowings divided by shareholders' funds.
- (4) "Net debt/ (cash) ratio" represents net debt / (cash) divided by shareholders' funds.
- (5) "Current ratio" represents current assets divided by current liabilities.
- (6) "Basic EPS" represents profit after tax and non-controlling interests divided by the weighted average number of Shares as at 31 December 2016.

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The financial effects set out above are purely for illustrative purposes only. Although the Share Purchase Mandate would authorise the Company to buy back up to 5% of the total number of issued Shares (excluding Treasury Shares) as at the date that the Share Purchase Mandate is obtained, the Company may not necessarily buy back or be able to buy back 5% of the total number of issued Shares (excluding Treasury Shares) in full.

### 3.8 Tax implications arising from Share Purchases

Shareholders who are in doubt as to their respective tax positions or tax implications of Share Purchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

### 3.9 Listing Manual relating to Share Purchases

- 3.9.1 The Listing Manual specifies that a listed company shall notify the SGX-ST of any On-Market Share Purchases not later than 9.00 a.m. on the Market Day following the day on which the On-Market Share Purchase was made, and of any Off-Market Share Purchases not later than 9.00 a.m. on the second Market Day after the close of acceptance of the offer for the Off-Market Share Purchase. The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.
- 3.9.2 While the Listing Manual does not expressly prohibit purchase of shares by a listed company during any particular time or times, the Company will not undertake Share Purchases after a price sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price sensitive information has been publicly announced. In particular, the Company will not buy any Shares during the period commencing 2 weeks before the announcement of the Company's results for each of the first, second and third quarters of its financial year, or one month before the announcement of the Company's annual results, as the case may be, and ending on the date of announcement of the relevant results.
- 3.9.3 The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued Shares excluding Treasury Shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The "public", as defined under 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. Based on the Registers of Directors' Shareholdings maintained by the Company and its subsidiaries and the Register of Substantial Shareholders maintained by the Company and the information received by the Company as at the Latest Practicable Date, there are 334,630,802 Shares held by public Shareholders, representing approximately 64.84% of the total number of issued Shares. Assuming the Company exercises the Share Purchase Mandate in full and purchases 5% of the total number of issued Shares excluding Treasury Shares through On-Market Share Purchases from the public, the number of Shares in the hands of the public would be reduced to approximately 308,827,410 Shares, representing approximately 62.99% of the total number of issued Shares excluding Treasury Shares. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 5% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. While the Share Purchase Mandate would authorise Share Purchases up to a maximum of 5% limit, Shareholders should note that Share Purchases may not be carried out up to the full 5% limit as authorised, or at all.

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- 3.9.4 In undertaking any Share Purchases, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float in the hands of the public will be maintained so that the Share Purchases 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.
- 3.10 **Take-over Code implications arising from Share Purchases**
- 3.10.1 The resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following any Share Purchases, will be treated as an acquisition for the purpose of Rule 14 of the Take-over Code ("**Rule 14**"). Consequently, depending on the number of Shares purchased by the Company and the Company's total number of issued Shares at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make an offer under Rule 14.
- 3.10.2 Under the Take-over Code, persons acting in concert or concert parties comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, 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, *inter alia*, will be presumed to be acting in concert, namely, (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts), and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with one another, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid for the purchase of voting rights. For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.
- 3.10.3 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 purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code ("**Appendix 2**").
- 3.10.4 In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.
- 3.10.5 Under Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.
- 3.10.6 Shareholders and their concert parties will be subject to the provisions of Rule 14 if they acquire any Shares after the Company's Share Purchases. For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchases will be taken into

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account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of 6 months.

- 3.10.7 If the Company decides to cease the purchase of Shares before it has purchased in full such number of Shares authorised by its Shareholders at the latest AGM, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14.
- 3.10.8 Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors and the Substantial Shareholders before and after the purchase of Shares pursuant to the Share Purchase Mandate, assuming (i) the Company purchases the maximum 5% of the total number of issued Shares (excluding Treasury Shares), and (ii) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in, will be as follows:

	← Before Share Purchases → (No. of Shares)			Before Share Purchases	After Share Purchases
	Direct Interest	Deemed Interest	Total Interest	%(1)	%(2)
<b>Directors</b>					
Lim Ming Seong	1,600,000	1,650,000	3,250,000	0.63	0.66
Lim Boon Kheng	3,000,500	4,172,500	7,173,000	1.39	1.46
Lee Soo Hoon Phillip	450,000	-	450,000	0.09	0.09
Lim Boh Soon	330,000	-	330,000	0.06	0.07
Sin Boon Ann	-	-	-	-	-
Lam Kwok Chong	-	-	-	-	-
Tan Hien Meng	-	-	-	-	-
Lee Kong Ting	-	-	-	-	-
<b>Substantial Shareholders</b>					
Tan Mok Koon	28,417,250	33,500,000	61,917,250	12.00	12.63
Chartered Asset Management Pte Limited	-	56,517,800	56,517,800	10.95	11.53
Capital Growth Investments Pte Limited	-	56,517,800	56,517,800	10.95	11.53
Low Siew Kheng	-	56,517,800	56,517,800	10.95	11.53
Colin Lee Yung-Shih	-	56,517,800	56,517,800	10.95	11.53
CAM-GTF Limited	43,743,000	-	43,743,000	8.48	8.92
FMR LLC	-	51,799,000	51,799,000	10.04	10.57

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### Notes:

- (1) As a percentage of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, comprising 516,067,852 Shares.
- (2) As a percentage of the total number of issued Shares (excluding Treasury Shares) comprising 490,264,460 Shares (assuming that the Company purchases the maximum number of 25,803,392 Shares under the Share Purchase Mandate).

3.10.9 Based on the shareholdings of the Directors and the Substantial Shareholders of the Company as at the Latest Practicable Date, none of the Directors or Substantial Shareholders will become obligated to make a mandatory offer by reason only of the purchase or acquisition of the maximum number of 25,803,392 Shares pursuant to the Share Purchase Mandate.

The Directors are not aware of any Shareholder or group of Shareholders acting in concert who may become obligated to make a mandatory offer in the event that the Directors exercise the power to purchase or acquire Shares pursuant to the Share Purchase Mandate.

3.10.10 **Shareholders are advised to consult their professional advisers and/or The Securities Industry Council of Singapore and/or other relevant authorities at the earliest opportunity as to whether an obligation on their part, if any, to make a mandatory take-over offer under the Take-over Code would arise by reason of any Share Purchases by the Company.**

### 3.11 Details of Share Purchases during the previous 12 months

The Company has not purchased any Shares within the 12 months preceding the Latest Practicable Date.

## 4. DIRECTORS' RECOMMENDATION

### 4.1 The proposed Performance Share Plan

The Executive Directors will be eligible to participate in the Performance Share Plan and have therefore refrained from making any recommendation to the Shareholders on Ordinary Resolution 1 set out in the Notice of EGM due to their interest in the Performance Share Plan.

### 4.2 The proposed Share Purchase Mandate

The Directors are of the opinion that the proposed Share Purchase Mandate is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 2 set out in the Notice of EGM.

## 5. ABSTENTION FROM VOTING

Shareholders who are entitled to participate in the proposed Performance Share Plan, shall abstain from voting at the EGM in respect of the Ordinary Resolutions set out in the Notice of EGM.

Directors and employees of the Group, who are eligible to participate in the Performance Share Plan and are also Shareholders, shall abstain from voting at the EGM.

The Executive Directors will be eligible to participate in the Performance Share Plan. Therefore, the Executive Directors (who are also Shareholders) shall also abstain from voting at the EGM in respect of the Ordinary Resolutions to be proposed at the EGM.

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## LETTER TO SHAREHOLDERS

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The above-mentioned persons who are eligible to participate in the Performance Share Plan will not accept appointments as proxies for voting at the EGM in respect of the Ordinary Resolutions unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast for the Ordinary Resolutions.

### 6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 47 to 49 of this Circular will be held on Thursday, 20 April 2017 at Suntec Singapore International Convention & Exhibition Centre, Room No. 303 & 304 (Level 3), 1 Raffles Boulevard, Singapore 039593 at 2.30 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the AGM of the Company to be held at 2.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing the Ordinary Resolutions set out in the Notice of EGM.

### 7. ACTION TO BE TAKEN BY SHAREHOLDERS

#### 7.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote at the EGM on their behalf, will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.

#### 7.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP not less than 72 hours before the time fixed for the EGM.

### 8. 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 Performance Share Plan, the Share Purchase Mandate, 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.

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## LETTER TO SHAREHOLDERS

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### 9. **CONDITIONALITY OF RESOLUTIONS**

Shareholders should note that Ordinary Resolution 2 (the Proposed Share Purchase Mandate) is subject to and contingent upon Ordinary Resolution 1 (the Proposed CSE Performance Share Plan 2017) being passed. This means that if Ordinary Resolution 1 is not passed, Ordinary Resolution 2 would not be passed.

### 10. **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours 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 FY2016; and
- (c) the proposed Rules of the Performance Share Plan.

Yours faithfully,  
For and on behalf of the Board of  
**CSE GLOBAL LIMITED**

Lim Boon Kheng  
Group Managing Director



**APPENDIX A**

**RULES OF THE PERFORMANCE SHARE PLAN**

**1 Name of the Performance Share Plan**

The Performance Share Plan shall be referred to as the “**CSE Performance Share Plan 2017**”.

**2 Definitions**

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

- “Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
- “Adoption Date”** : The date on which the Performance Share Plan is adopted by the Company at an extraordinary general meeting
- “associated company”** : A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group
- “Associates”** : In the case of a company,
- (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
    - (i) his immediately family;
    - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
    - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
  - (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Auditors”** : The auditors of the Company
- “Award”** : A contingent award of Shares under the Performance Share Plan
- “Board”** : The board of Directors of the Company

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Committee”</b>	:	The remuneration committee of the Company, or such other committee comprising Directors, duly authorised, appointed and nominated by the Board to administer the Performance Share Plan, from time to time
<b>“Company”</b>	:	CSE Global Limited
<b>“Constitution”</b>	:	The constitution of the Company, as amended or modified from time to time
<b>“Controlling Shareholder”</b>	:	A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines that such person is not a controlling shareholder); or (b) in fact exercises control over the Company
<b>“Director”</b>	:	A director of the Company from time to time
<b>“Executive Director”</b>	:	A director of the Company who performs an executive function within the Company, from time to time
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Group Employee”</b>	:	An Executive Director or employee of the Group who is of the age of 18 years and above
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as may be amended, supplemented or modified from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for securities trading
<b>“Participant”</b>	:	An eligible person who is selected by the Committee to participate in the Performance Share Plan in accordance with the rules thereof
<b>“Performance Share Plan”</b>	:	The CSE Performance Share Plan 2017, as modified or altered from time to time
<b>“Performance Target(s)”</b>	:	The performance target(s) prescribed by the Committee to be fulfilled by a Participant for any particular period under the Performance Share Plan
<b>“Rules”</b>	:	The rules of the Performance Share Plan, as the same may be amended from time to time
<b>“Securities Account”</b>	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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“Shareholders”	:	The registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person (including a corporation) who has an interest (direct or indirect) in 5% or more of the total issued Shares of the Company
“Vesting”	:	In relation to Shares which are the subject of an Award, the absolute entitlement to all or some of the Shares which are the subject of an Award and “Vest” and “Vested” shall be construed accordingly
“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, Chapter 289 of Singapore.

The term “Treasury Shares” shall have the meaning ascribed to it in Section 4 of the Act.

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

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

Any reference in the Performance Share Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or the Listing Manual or any statutory modification thereof and used in the Performance Share Plan shall, where applicable, have the meaning assigned to it under the 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 and date in the Performance Share Plan shall be a reference to Singapore time and date unless otherwise stated.

### 3 Objectives of the Performance Share Plan

The objectives of the Performance Share Plan are as follows:

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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- (a) to motivate employees to strive towards performance excellence and to maintain a high level of contribution to the Group;
- (b) to provide an opportunity for Participants of the Performance Share Plan to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organisational commitment, dedication and loyalty of Participants towards the Group;
- (c) to give recognition to contributions made or to be made by employees by introducing a variable component into their remuneration package; and
- (d) to make employee remuneration sufficiently competitive to attract recruit of new employees and/or to retain existing employees 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 Performance Share Plan at the absolute discretion of the Committee:

- (a) all employees of the Group who are of the age of 18 years and above; and
- (b) Executive Directors of the Company,

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

Persons who are Controlling Shareholders and their Associates and directors and employees of Associated Companies shall not be eligible to participate in the Performance Share Plan. Further, the Company does not have any parent company and accordingly, the Participants of the Performance Share Plan shall not include any directors and/or employees of the Company's parent company and its subsidiaries.

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

4.3 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 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(s) within the performance period.

4.4 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 Performance Share Plan may be amended from time to time at the absolute discretion of the Committee.

### 5 Limitations under the Performance Share Plan

5.1 The maximum number of Shares that the Company may grant under the Performance Share Plan shall not exceed 5% of the total number of issued Shares (excluding Treasury Shares) of the Company on the day immediately preceding the date on which the Award shall be granted. The Company shall purchase existing Shares for transfer to Participants in respect of the Awards. No new Shares will be issued by the Company pursuant to the Awards. In addition, the total number of Shares that may be transferred or are transferable pursuant to the granting of the Awards on any

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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date (which shall not exceed 5% of the total number of issued Shares, excluding Treasury Shares, of the Company on the day immediately preceding the date on which the Award shall be granted), 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%) of the total number of issued Shares (excluding Treasury Shares) of the Company on the day immediately preceding the date of grant of the Award.

5.2 Awards may only be vested and consequently any Shares comprised in such Awards shall only be transferred to the Participants 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 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Performance Share Plan.

### 6 Grant Date

The Committee may at its sole discretion grant Awards to any Participant at any time during the period when the Performance Share Plan is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested and hence any Shares comprised in such Awards, may only be delivered on or after the second (2<sup>nd</sup>) Market Day from the date on which the aforesaid announcement is made.

### 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 being met.

The length of the Vesting Period in respect of each Award will be determined by the Committee on a case-by-case basis and no minimum Vesting Periods are prescribed under the Performance Share Plan.

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 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(s) within the performance period.

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;
- (d) the prescribed Performance Target(s);

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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- (e) the performance period during which the prescribed Performance Target(s) are to be satisfied;
- (f) the extent to which Shares which are the subject of that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period; and
- (g) the extent to which Shares, which are the subject of that Award, shall be released at the end of each prescribed Vesting Period.

7.2 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;
- (e) the Vesting Period, if any; and
- (f) the extent to which Shares which are the subject of that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period.

### 8 Events Prior to the Vesting of the Awards

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; or
- (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; or
- (c) subject to Rules 8.2 and 8.3, upon a Participant, being a Group Employee ceasing to be in the employment of the Group for any reason whatsoever; 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 Performance Share Plan (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 If a Participant, being a Group Employee 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); or

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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- (b) redundancy; or
- (c) retirement at or after the normal retirement age; or
- (d) retirement before that age with the consent of the Committee; or
- (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 (if any) 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.

- 8.3 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.
- 8.4 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) and the Vesting Period (if any) has expired and notwithstanding a transfer of his employment within any company in the Group or any apportionment of Performance Target(s) within any company within the Group.

### **9 Take-over and Winding Up of the Company**

- 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 Awards if he has met the Performance Target(s) 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 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 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

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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amalgamation with another company or companies, or (b) there is a change of Control 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 Act, the Registrar of Companies issues a notice of amalgamation, for the purposes of, or in connection with the amalgamation of the Company with another company or companies, each 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 the Registrar of Companies 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.

- 9.3 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.
- 9.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the 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.
- 9.5 If in connection with the making of a general offer referred to in Rule 9.1 or the scheme 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, 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.
- 9.6 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) 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) have been satisfied.

### **10 Shares**

- 10.1 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 Performance Share Plan and the Constitution, the Company shall, upon the Vesting of an Award transfer Treasury Shares and do such acts or things which are necessary for the transfer to be effective.
- 10.2 Treasury Shares which are the subject of an Award shall be transferred to 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.



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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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- 10.3 Treasury Shares transferred, upon the Vesting of an Award, shall be subject to all the provisions of the Constitution of the Company, 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 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 Performance Share Plan, may, at the option of the Committee,

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

However, no adjustment shall be made in such a way that a Participant will 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/subsorption rights in the Company’s loan stock or warrants and any other securities convertible into Shares (including the exercise of any options granted under the Performance Share Plan) 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.

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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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 Performance Share Plan

12.1 The Performance Share Plan shall be administered by the Committee, which has the absolute discretion to determine persons who will be eligible to participate in the Performance Share Plan. 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 Performance Share Plan) for the implementation and administration of the Performance Share Plan as it thinks 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, by so doing, it would be a fairer measure of performance for a Participant or for the Performance Share Plan as a whole and/or amending the Vesting Period (if any).

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

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

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 Performance Share Plan (other than a matter to be certified by the Auditors) shall be final and binding in all cases including any disputes as to the interpretation of the Performance Share Plan or any rule, regulation, procedure thereunder or as to any rights under the Performance Share Plan.

### 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

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or at the last known address, electronic mail address or facsimile number of the 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 or facsimile transmission, on the day of transmission.

13.4 The Company, as required by law or the SGX-ST or other relevant authority, shall make the following disclosures (as applicable) in its annual report for so long as the Performance Share Plan continues in operation:

- (a) the names of the members of the Committee administering the Performance Share Plan;
- (b) in respect of the following Participants of the Performance Share Plan:
  - (i) Directors;
  - (ii) Controlling Shareholders and their Associates (where applicable); and
  - (iii) Participants (other than those in paragraphs (i) and (ii) above) 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 Performance Share Plan,

information required under the Listing Manual, including:

- (aa) the name of the Participant;
  - (bb) the aggregate number of Shares comprised in Awards granted during the financial year under review (including terms); and
  - (cc) the aggregate number of Shares comprised in Awards granted since the commencement of the Performance Share Plan to the end of the financial year under review;
  - (dd) the aggregate number of Shares comprised in Awards granted which have vested since the commencement of the Performance Share Plan to the end of the financial year under review and in respect of such Awards, the proportion of new Shares issued or Treasury Shares transferred upon the release of the vested Awards; and
  - (ee) the aggregate number of Shares comprised in Awards which have not been vested at the end of the financial year under review;
- (c) in respect of Awards granted to directors and employees of the parent company and its subsidiaries (where applicable):

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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- (i) the names of the person, the number of Shares comprised in the Awards and the terms of the Awards granted to each such person who receives Shares pursuant to the Vesting of Awards which represent five percent. (5%) or more of the total number of Shares available to all directors and employees of the parent company and its subsidiaries under the Performance Share Plan, during the financial year under review; and
  - (ii) the aggregate number of Shares comprised in the Awards granted to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of the Performance Share Plan to the end of the financial year under review; and
- (d) such other information as may be required by the Listing Manual or the Act.

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

### 14 Modifications to the Performance Share Plan

- 14.1 Any or all the provisions of the Performance Share Plan 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 Performance Share Plan 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 Performance Share Plan in any way to the extent necessary to cause the Performance Share Plan to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 14.3 Save for any modification or alteration effected to cause the Performance Share Plan to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST) as contemplated in the paragraph 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 relevant share plan 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 exercise in full of all outstanding Awards under the Performance Share Plan.
- 14.4 No alteration shall be made to the Performance Share Plan relating to the matters contained in Rules 844 to 849 of the Listing Manual and Rules 853 to 854 of the Listing Manual to the advantage of the Participants without the prior approval of Shareholders in general meeting.
- 14.5 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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- 14.6 Shareholders who are eligible to participate in the Performance Share Plan must abstain from voting on any resolution relating to the Performance Share Plan.

### **15 Terms of Employment Unaffected**

The terms of employment of a Participant shall not be affected by his participation in the Performance Share Plan, 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 Performance Share Plan**

- 16.1 The Performance Share Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Performance Share Plan 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 Performance Share Plan 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 Performance Share Plan is so terminated, no further Awards shall be vested by the Company thereunder.
- 16.3 The termination of the Performance Share Plan shall not affect Awards which have been granted but not yet vested, whether 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 Performance Share Plan 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 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 Performance Share Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Performance Share Plan including but not limited to the fees, costs and expenses relating to the 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, 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 transferring Treasury Shares.

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## APPENDIX A – RULES OF THE PERFORMANCE SHARE PLAN

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### **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 Treasury Shares would be transferred pursuant to the Vesting of any Award if such 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 Performance Share Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the Performance Share Plan, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### CSE GLOBAL LIMITED

(Company Registration No: 198703851D)  
(Incorporated in the Republic of Singapore)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of CSE Global Limited (the “**Company**”) will be held at Suntec Singapore International Convention & Exhibition Centre, Room No. 303 & 304 (Level 3), 1 Raffles Boulevard Singapore 039593 on Thursday, 20 April 2017 at 2.30 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions:

#### **ORDINARY RESOLUTION 1 : THE PROPOSED CSE PERFORMANCE SHARE PLAN 2017**

That:

- (a) a performance share plan to be known as “CSE Performance Share Plan 2017” (the “**Performance Share Plan**”), the rules and details of which have been set out in the Circular dated 4 April 2017, under which awards (the “**Awards**”) of fully paid-up ordinary shares in the capital of the Company (the “**Shares**”) will be granted, free of payment, to selected employees of the Group, details of which are set out in the Circular, be and is hereby approved;
- (b) the Directors be and are hereby authorised:
  - (i) to establish and administer the Performance Share Plan;
  - (ii) to modify and/or alter the Performance Share Plan from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the Performance Share Plan and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the Performance Share Plan; and
  - (iii) subject to the same being allowed by law, to apply any share purchased under any share buyback mandate towards the satisfaction of Awards granted under the Performance Share Plan;
- (c) the Directors be and are hereby authorised to grant Awards in accordance with the provisions of the Performance Share Plan and to transfer from time to time such number of Shares as may be required to be transferred pursuant to the Vesting of Awards under the Performance Share Plan, provided that the aggregate number of Shares to be transferred pursuant to the Performance Share Plan (which shall not exceed 5% of the total number of issued Shares, excluding Treasury Shares, of the Company on the day immediately preceding the date on which the Award shall be granted), when added to the number of Shares issued and issuable in respect of all options granted or awards granted under any other share-based incentive schemes adopted by the Company and for the time being in force, shall not exceed 15% of the total issued and paid-up Shares (excluding treasury shares) on the day immediately preceding the date of grant of the Award; and
- (d) the Directors and each of them be and are hereby authorized and empowered to complete and do all such acts and things as they may consider necessary, desirable or expedient to give effect to this resolution as the Director(s) shall deem fit in the interests of the Company.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### ORDINARY RESOLUTION 2 : THE PROPOSED SHARE PURCHASE MANDATE

That subject to and contingent upon Ordinary Resolution 1 being passed, that:

1. For the purposes of Sections 76C and 76E of the Companies Act, Cap. 50 of Singapore (the “**Act**”), the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- (a) on-market purchases (each an “**On-Market Share Purchase**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and/or
- (b) off-market purchases (each an “**Off-Market Share Purchase**”) effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

2. unless varied or revoked by the Shareholders in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

- (a) the date on which the next Annual General Meeting of the Company is held; or
- (b) the date by which the next Annual General Meeting of the Company is required by law to be held; or
- (c) the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated;

3. in this Ordinary Resolution:

“**Prescribed Limit**” means 5% of the total number of issued Shares excluding treasury shares as at the date of the passing of this Ordinary Resolution; and

“**Maximum Price**” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

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



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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“**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days (“**Market Day**” being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the date of making an announcement for an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5 Market Days; and

4. the Directors of the Company and/or each of them be and are hereby authorised to complete and do all such acts and things as they and/or he may consider necessary, desirable, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

All capitalised terms used in this Notice that are not defined herein shall have the same meanings ascribed to them in the Circular dated 4 April 2017 to Shareholders.

By Order of the Board

Lynn Wan Tiew Leng  
Secretary  
Singapore, 4 April 2017

**Notes:**

1. (a) A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Extraordinary General Meeting (the “**EGM**”).  
  
(b) A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.  
  
“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 not less than forty-eight (48) hours before the time appointed for holding the EGM.

**Personal data privacy:**

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

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**CSE GLOBAL LIMITED**  
 (Company Registration No. 198703851D)  
 (Incorporated in the Republic of Singapore)

# PROXY FORM

(Please see notes overleaf before completing this Form)

**IMPORTANT:**

1. A relevant intermediary may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see note 4 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy CSE Global Limited's shares, this Circular is forwarded to them at the request of the CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We \_\_\_\_\_  
 of \_\_\_\_\_

being a member/members of CSE Global Limited (the "Company"), hereby appoint:

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

and/or (delete as appropriate)

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

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Extraordinary General Meeting (the "EGM") of the Company to be held at Suntec Singapore International Convention & Exhibition Centre, Room No. 303 & 304 (Level 3), 1 Raffles Boulevard, Singapore 039593 on Thursday, 20 April 2017 at 2.30 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions relating to:	Number of Votes For <sup>(1)</sup>	Number of Votes Against <sup>(1)</sup>
1.	Approval of the proposed CSE Performance Share Plan 2017		
2.	Approval of the proposed Share Purchase Mandate		

<sup>(1)</sup> If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017

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

\_\_\_\_\_  
 Signature of Shareholder(s)  
 or, Common Seal of Corporate Shareholder

\*Delete where applicable

**Notes :**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at the EGM is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a relevant intermediary entitled to attend the EGM and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act (Cap. 36) ("CPF Act"), in respect of shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
  6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the EGM.
  7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
  8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

**General:**

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

**PERSONAL DATA PRIVACY:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 4 April 2017.

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