

CIRCULAR DATED 5 MAY 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is issued by PLATO CAPITAL LIMITED (the “Company”). If you are in any doubt in relation to this Circular or 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 your ordinary shares in the capital of the Company held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s), 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 agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

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

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

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



PLATO CAPITAL LIMITED

(Company Registration No. 199907443M)

(Incorporated in the Republic of Singapore)

Independent Financial Adviser in respect of the Proposed RCULS Issue and the Proposed Whitewash Resolution



SAC CAPITAL PRIVATE LIMITED

(Company Registration No. 200401542N)

(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- 1) THE PROPOSED ACQUISITION;
- 2) THE PROPOSED RCULS ISSUE;
- 3) THE PROPOSED WHITEWASH RESOLUTION;
- 4) THE PROPOSED ADOPTION OF THE PLATO ESOS 2016;
- 5) THE PROPOSED ADOPTION OF THE PLATO PSP 2016;
- 6) THE PROPOSED PARTICIPATION OF MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER AND MR GARETH LIM TZE XIANG AND MS LIM KIAN FAH, ASSOCIATES OF A CONTROLLING SHAREHOLDER IN THE PLATO ESOS 2016;
- 7) THE PROPOSED PARTICIPATION OF MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER AND MR GARETH LIM TZE XIANG AND MS LIM KIAN FAH, ASSOCIATES OF THE CONTROLLING SHAREHOLDER IN THE PLATO PSP 2016;
- 8) THE PROPOSED GRANT OF OPTIONS TO MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER AND MR GARETH LIM TZE XIANG AND MS LIM KIAN FAH, ASSOCIATES OF THE CONTROLLING SHAREHOLDER UNDER THE PLATO ESOS 2016; AND
- 9) THE PROPOSED GRANT OF AWARDS TO MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER AND MR GARETH LIM TZE XIANG AND MS LIM KIAN FAH, ASSOCIATES OF THE CONTROLLING SHAREHOLDER UNDER THE PLATO PSP 2016.

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	Wednesday 18 May 2016 at 10.30am
Date and time of Extraordinary General Meeting	:	Friday 20 May 2016 at 10.30am
Place of Extraordinary General Meeting	:	Clove Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031

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DEFINITIONS

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

“Act” or “Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
“Associate”	:	(a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means: (i) his Immediate Family: (ii) the trustee of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more; and (b) in relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Auditors”	:	The auditors of the Company for the time being
“Award”	:	A contingent award of Shares granted under the Plato PSP 2016
“Award Date”	:	In relation to an Award, the date on which the Award is granted
“Audit Committee”	:	The audit committee of the Company
“Board”	:	The Board of Directors of the Company for the time being
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	The SGX-ST Listing Manual (Section B: Rules of Catalist), as amended or modified from time to time
“CDP”	:	The Central Depository Pte Limited
“Circular”	:	This Circular to Shareholders dated 5 May 2016
“Code”	:	The Singapore Code of Takeover and Mergers
“Committee”	:	A committee comprising Directors of the Company, duly authorised and appointed by the Board to administer the Share Plans
“Company”	:	Plato Capital Limited
“Conditions”	:	The terms and conditions of the RCULS

“Constitution”	:	The constitution of the Company, which was known as the memorandum and articles of association of the Company immediately before 3 January 2016
“Controlling Shareholder”	:	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 otherwise); or (b) a person who in fact exercises control over the Company, as defined under the Listing Manual
“Controlling Shareholder Concert Group”	:	Ms QSL, Ms LKF and Mr LKW, collectively
“Conversion Shares”	:	Has the meaning ascribed to it in section 3.8(b) of this Circular
“Conversion Price”	:	Has the meaning ascribed to it in section 3.8(c) of this Circular
“Director(s)”	:	Director(s) of the Company for the time being
“ECMLIB”	:	ECM Libra Financial Group Berhad (Company No. 713570-K) a public company incorporated in Malaysia pursuant to the Malaysia Companies Act 1965 and listed on the Main Board of Bursa Malaysia Securities Berhad
“EGM”	:	The extraordinary general meeting of the Company to be held on Friday 20 May 2016 at 10.30 a.m., notice of which is set out in pages 125 to 132 of this Circular
“EGM Proposals”	:	Has the meaning ascribed to it in section 1.1 of this Circular
“Employees”	:	A full time confirmed employee of the Group
“Exchange Rate”	:	The exchange rate of RM1:S\$0.3466 as at the Latest Practicable Date
“Group”	:	The Company and its subsidiaries, collectively
“Group Executive Director”	:	A director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function.
“Group Non-Executive Director”	:	A director of the Company and/or any of its subsidiaries, as the case may be, who is not a Group Executive Director, including independent directors
“IFA”	:	The independent financial adviser, being SAC Capital Private Limited, appointed by the Company in relation to the Proposed RCULS Issue as an interested person transaction and the Proposed Whitewash Resolution
“IFA Letter”	:	The letter dated 5 May 2016 issued by the IFA to the Audit Committee (excluding Mr LKO) and the Independent Directors containing the advice of the IFA in respect of the Proposed RCULS Issue as an interested person transaction and the Proposed Whitewash Resolution as reproduced in <u>Appendix 2</u> to this Circular
“Immediate Family”	:	A person’s spouse, child, adopted child, step-child, sibling and parent, or such other definition as the SGX-ST may from time to

	:	time require
“Incentive Option”	:	The right to subscribe for Shares granted or to be granted pursuant to the Plato ESOS 2016 and for the time being subsisting, and in respect of which the Exercise Price is at a discount to Market Price
“Independent Directors”	:	The Directors who are considered independent for the purposes of making the recommendation to the Shareholders in relation to the Proposed RCULS Issue and the Proposed Whitewash Resolution, namely Mr Michael Kan Yuet Yun, PBM, Mr Chong Huai Seng and Mr Oh Teik Khim
“Independent Shareholders”	:	Shareholders (other than Mr LKO, the Controlling Shareholder Concert Group, and parties not independent of them) who are deemed to be independent for the purpose of the Proposed Whitewash Resolution
“Interest”	:	Has the meaning ascribed to it in Section 3.8(d) of this Circular
“Interest Shares”	:	Has the meaning ascribed to it in Section 3.8(d) of this Circular
“Latest Practicable Date”	:	21 April 2016
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“Market Price Option”	:	The right to subscribe or purchase for Shares granted or to be granted pursuant to the Plato ESOS 2016 and for the time being subsisting, and in respect of which the Exercise Price is determined at Market Price
“Maturity Date”	:	Has the meaning ascribed to it in Section 3.8(b) of this Circular
“Mr GL”	:	Mr Gareth Lim Tze Xiang, the Alternate Director to Mr LKO and the Chief Executive Officer, and son of Mr LKO
“Ms LKF”	:	Ms Lim Kian Fah, the sister of Mr LKO
“Mr LKO”	:	Mr Lim Kian Onn, a Director and Controlling Shareholder of the Company
“Mr LKW”	:	Mr Lim Khiang Wee, the brother of Mr LKO
“Ms QSL”	:	Ms Quek Siow Leng, the wife of Mr LKO
“Option”	:	A Market Price Option or an Incentive Option, as the case may be
“Performance Condition”	:	In relation to an Award, the condition specified on the Award Date in relation to that Award
“Performance Period”	:	In relation to an Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied
“Plato ESOS 2016”	:	The Plato Employee Share Option Scheme 2016
“Plato PSP 2016”	:	The Plato Performance Share Plan 2016

“Proposed Acquisition”	:	The proposed acquisition of ordinary shares in ECMLIB as described in section 2 of this Circular
“Proposed Adoption of the Plato ESOS 2016”	:	The proposed adoption of the Plato Employee Share Option Scheme 2016 as described in section 7 of this Circular
“Proposed Adoption of the Plato PSP 2016”	:	The proposed adoption of the Plato Performance Share Plan 2016 as described in section 8 of this Circular
“Proposed RCULS Issue”	:	The proposed issue of 0.5% redeemable convertible unsecured loan stocks due 2021 each with a principal amount of S\$100,000.00 and amounting in aggregate to a principal amount of S\$10,000,000.00 as described in section 3 of this Circular
“Proposed Whitewash Resolution”	:	The proposed Shareholders’ resolution whereby Independent Shareholders give their approval in relation to the waiver of Shareholders’ rights arising from the obligation of Mr LKO to make a general offer for Shares (other than those owned by him and the parties acting in concert) in accordance with the Code pursuant to the issue of the Conversion Shares and/or the Interest Shares, as described in section 6 of this Circular
“RCULS”	:	Has the meaning ascribed to it in section 3.7(a) of this Circular
“RCULS Subscription Agreement”	:	The RCULS subscription agreement dated 19 April 2016 between the Company and Mr LKO (as amended and supplemented by the Supplemental Agreement between the Company and Mr LKO dated 29 April 2016 (as further described in section 3.1 of this Circular)) pursuant to which Mr LKO shall subscribe for 0.5% redeemable convertible unsecured loan stocks due 2021, each with a principal amount of S\$100,000 and amounting in aggregate to a principal amount of S\$10,000,000
“Release”	:	In relation to an Award, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates and, to the extent that any Shares which are the subject of the Award are not released, the Award in relation to those Shares shall lapse accordingly, and “Released” shall be construed accordingly
“Release Schedule”	:	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period
“Released Award”	:	An Award which has been released
“Retention Period”	:	In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date
“Securities Account”	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent

“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SIC”	:	The Securities Industry Council
“Shareholders”	:	Registered holder(s) of the 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 whose securities accounts are credited with those Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Share Plans”	:	The Plato ESOS 2016 and the Plato PSP 2016
“Substantial Shareholder”	:	A person who has an interest (directly or indirectly) in 5% or more of the total issued share capital of the Company.
“Supplemental Agreement”	:	Has the meaning ascribed to it in section 3.1 of this Circular
“TPL”	:	Truesource Pte. Ltd., a wholly owned subsidiary of the Company
“Trading Day”	:	A day on which the Shares are traded on the Catalist board of the SGX-ST
“Treasury Shares”	:	Has the meaning ascribed to it in Section 4 of the Companies Act
“VWAP”	:	Volume weighted average price
“Whitewash Waiver”	:	The approval of the Securities Industry Council for the waiver of Shareholders’ rights arising from the obligation of Mr LKO to make a general offer for Shares (other than those owned by him or parties acting in concert) in accordance with the Code pursuant to the issue of the Conversion Shares and/or the Interest Shares
“Vesting”	:	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly
“Vesting Date”	:	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant participant) on which those Shares have Vested
“S\$” or “cents”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“RM”	:	Malaysian Ringgit, the lawful currency of Malaysia
“%” or “per cent”	:	Per centum or percentage

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

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

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

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated. Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any term defined under the SFA, the Companies Act or the Catalist Rules, or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the SFA, the Companies Act or the Catalist Rules, or such modification thereof, as the case may be, unless otherwise provided.

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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PLATO CAPITAL LIMITED
(Company Registration No. 199907443M)
(Incorporated in the Republic of Singapore)

5 May 2016

To: The Shareholders of PLATO CAPITAL LIMITED (the “Company”)

Directors

Lim Kian Onn *Chairman/Non-Independent/Non-Executive Director*
Gareth Lim Tze Xiang *Alternate Director to Lim Kian Onn/Chief Executive Officer*
Michael Kan Yuet Yun, PBM *Independent Director*
Chong Huai Seng *Independent Director*
Oh Teik Khim *Executive Director and Chief Operating Officer/Chief Financial Officer*

Registered Office

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

Dear Sir/Madam

1. INTRODUCTION

1.1. The Directors propose to convene an extraordinary general meeting on Friday 20 May 2016 at 10.30 a.m. (“EGM”) to seek Shareholders’ approval in relation to the following:

- (a) the Proposed Acquisition;
- (b) the Proposed RCULS Issue;
- (c) the Proposed Whitewash Resolution;
- (d) the Proposed Adoption of the Plato ESOS 2016;
- (e) the Proposed Adoption of the Plato PSP 2016;
- (f) the Proposed Participation of Mr Lim Kian Onn, the Controlling Shareholder and Mr Gareth Lim Tze Xiang and Ms Lim Kian Fah, Associates of the Controlling Shareholder in the Plato ESOS 2016;
- (g) the Proposed Participation of Mr Lim Kian Onn, the Controlling Shareholder and Mr Gareth Lim Tze Xiang and Ms Lim Kian Fah, Associates of the Controlling Shareholder in the Plato PSP 2016;
- (h) the Proposed Grant of Options to Mr Lim Kian Onn, the Controlling Shareholder and Mr Gareth Lim Tze Xiang and Ms Lim Kian Fah, Associates of the Controlling Shareholders under the Plato ESOS 2016; and
- (i) the Proposed Grant of Awards to Mr Lim Kian Onn, the Controlling Shareholder and Mr Gareth Lim Tze Xiang and Ms Lim Kian Fah, Associates of the Controlling Shareholder under the Plato PSP 2016,

(collectively, the “EGM Proposals”).

The Proposed Acquisition (Ordinary Resolution 1) is subject to and contingent upon the passing of Ordinary Resolution 2, being the resolution relating to the Proposed RCULS Issue.

The Proposed RCULS Issue (Ordinary Resolution 2) is subject to and contingent upon the passing of (i) Ordinary Resolution 1, being the resolution relating to the Proposed Acquisition and (ii) Ordinary Resolution 3, being the resolution relating to the Proposed Whitewash Resolution.

The proposed participation of Mr LKO, Mr GL and Ms LKF in the Plato ESOS 2016 (Ordinary Resolutions 6, 7 and 8 respectively) is subject to and contingent upon the passing of Ordinary Resolution 4, being the resolution relating to the proposed adoption of the Plato ESOS 2016.

The proposed participation of Mr LKO, Mr GL and Ms LKF in the Plato PSP 2016 (Ordinary Resolutions 9, 10 and 11 respectively) is subject to and contingent upon the passing of Ordinary Resolution 5, being the resolution relating to the proposed adoption of the Plato PSP 2016.

The proposed grant of Options to Mr LKO, Mr GL and Ms LKF in the Plato ESOS 2016 (Ordinary Resolutions 12, 13 and 14 respectively) is subject to and contingent upon the passing of Ordinary Resolution 4, being the resolution relating to the proposed adoption of the Plato ESOS 2016 and Ordinary Resolutions 6, 7 and 8 respectively, being the resolutions relating to the participation of the Controlling Shareholder and Associates of the Controlling Shareholder in the Plato ESOS 2016.

The proposed grant of Awards to Mr LKO, Mr GL and Ms LKF in the Plato PSP 2016 (Ordinary Resolutions 15, 16 and 17 respectively) is subject to and contingent upon the passing of Ordinary Resolution 5, being the resolution relating to the proposed adoption of the Plato PSP 2016 and Ordinary Resolutions 9, 10 and 11 respectively, being the resolutions relating to the participation of the Controlling Shareholder and Associates of the Controlling Shareholder in the Plato PSP 2016.

- 1.2. The purpose of this Circular is to provide Shareholders with information relating to, and to seek their approval for the EGM Proposals at the EGM. This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.
- 1.3. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.
- 1.4. Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. PROPOSED ACQUISITION

2.1. Introduction

On 25 February 2016, the Company announced that Truesource Sdn Bhd (“TSSB”), a wholly owned subsidiary of the Company, had on 23 February 2016 entered into a conditional share sale agreement (“SSA”) with four (4) independent third parties (“Vendors”) to acquire 74,194,973 ordinary shares of RM0.12 each or 25.89% of the total issued and paid-up capital (“Subject Shares”) of ECMLIB. The purchase consideration for each of the Subject Shares is RM0.37 (equivalent to S\$0.1282 based on the Exchange Rate) and the total purchase consideration for the Subject Shares is RM27,452,140 (equivalent to S\$9,514,911.73 based on the Exchange Rate) (“Purchase Consideration”) payable by cash at completion (“Proposed Acquisition”).

On 7 March 2016, the Company announced that pursuant to a letter of assignment dated 7 March 2016 between Truesource Pte. Ltd. (“TPL”) and TSSB (“Letter of Assignment”), TPL, a wholly owned subsidiary of the Company, had on 7 March 2016, *inter alia*, assumed the rights and obligations of TSSB under the SSA (“Assignment”).

2.2. Information on ECMLIB

ECMLIB is a financial services company with core business segments including fund management and private equity investments. ECMLIB and its subsidiaries hold a fund management licence and currently manage a range of unit trust funds, customised portfolios, as well as private mandates for high net worth individuals, corporations, and institutional funds. ECMLIB’s investment portfolio includes the EDUC8 Group

Sdn Bhd (with underlying holdings in Epsom College Malaysia) and TYK Capital Sdn Bhd, with the former providing private education and the latter involving the provision of precision engineering services.

As at the Latest Practicable Date, the Group holds an effective percentage of interest of 38.05% and 18.90% in EDUC8 Group Sdn Bhd and TYK Capital Sdn Bhd respectively.

ECMLIB and its subsidiaries had been profitable in the 3 most recently completed financial years, recording profit after tax of RM12.3 million, RM28.2 million and RM11.2 million in the financial years ended 31 January 2014, 2015 and 2016 respectively.

Mr LKO is a director and substantial shareholder of ECMLIB. Mr LKO, together with his wife, Ms QSL, hold 24.367% of the issued share capital of ECMLIB.

2.3. Purchase Consideration

The Purchase Consideration of RM0.37 per Subject Share is at a 12.1% premium to ECMLIB's last traded price of RM0.33 as at the date of the SSA (i.e. 23 February 2016). The table below also sets out the implied premium / discount that the Purchase Consideration represents relative to the volume weighted average price of ECMLIB over a one month, three month and six month period as at the date of the SSA (i.e. 23 February 2016).

	ECMLIB Share Price (RM)	Implied Premium / (Discount) represented by RM0.37 per Subject Share
1 Month volume weighted average price	0.3187	16.1%
3 Month volume weighted average price	0.3799	(2.6%)
6 Month volume weighted average price	0.4217	(12.3%)

The Vendors for the Proposed Acquisition are independent third parties and the Purchase Consideration was negotiated at arms' length and concluded on a willing-buyer willing-seller basis and after taking into consideration the then current traded share price of ECMLIB and its last reported net asset value, more particularly set out in section 2.7 of this Circular.

The Company proposes to fund the Purchase Consideration using monies raised from the Proposed RCULS Issue as more particularly set out in section 3 of this Circular.

2.4. Letter of Guarantee

In consideration of the Vendors, at the request of the Company, agreeing to enter into the SSA with TSSB, the Company had on 23 February 2016 issued a letter to the Vendors guaranteeing the obligations and performance of TSSB (or any other wholly-owned subsidiary which has been nominated to assume the rights, interest, benefits, liabilities and obligations of TSSB under SSA) under the SSA ("**Letter of Guarantee**").

Following the Assignment, the obligations and performance of TPL (being a wholly owned subsidiary of the Company) under the SSA are currently guaranteed by the Company under the Letter of Guarantee.

2.5. Principal Terms and Conditions of the SSA and the Letter of Guarantee

The principal terms and conditions of the SSA include, *inter alia*:

- (a) The sale, purchase and transfer of the Subject Shares is conditional upon the resolutions being passed at a general meeting of the Company approving (i) the issuance of RCULS of an aggregate value up to S\$10 million by the Company to Mr LKO to raise proceeds to satisfy the Purchase

Consideration and the transaction on the terms and conditions contained in the SSA and (ii) all regulatory approvals being obtained for issuance of the RCULS by the Company ("**SSA Conditions Precedent**");

- (b) In the event that the SSA Conditions Precedent cannot be met by 31 May 2016 ("**Stop Date**"), TPL shall be obliged to cause and procure a new purchaser to carry on with the purchase of the Subject Shares in accordance with the terms and conditions of the SSA; and
- (c) Completion under the SSA shall be no later than 14 days from the date the SSA Conditions Precedent are satisfied.

The principal terms and conditions of the Letter of Guarantee include, *inter alia*, that the Company shall guarantee the obligations and performance of TPL which shall remain unperformed or unsatisfied pursuant to the SSA.

The summary in this section 2.5 of this Circular does not purport to be complete and is qualified in its entirety by reference to the detailed information in the SSA and the Letter of Guarantee, which are available for inspection as set out in Section 22 of this Circular. Shareholders should read the summary in this section together with the actual terms and conditions of the SSA and the Letter of Guarantee.

2.6. **Potential Mandatory General Offer of ECMLIB**

Pursuant to the Malaysian Code on Take-Overs and Mergers, 2010, TPL may be obliged to undertake a mandatory general offer ("**ECMLIB MGO**") to acquire all the remaining shares in ECMLIB not already owned by TPL and Mr LKO, if, *inter alia*, TPL and Mr LKO are deemed parties acting in concert. In this respect, the Company has no current intention to own ECMLIB beyond the currently contemplated investment stake represented by the Proposed Acquisition.

Mr LKO has on 23 February 2016 given a written undertaking ("**ECMLIB MGO Undertaking**") to the Company to undertake that in the event the SSA becomes unconditional and subject to regulatory approval, he shall undertake the entire ECMLIB MGO in his own capacity or together with his nominees in accordance with the provisions of the Malaysian Code on Take-Overs and Mergers, 2010.

2.7. **Rationale for the Proposed Acquisition**

The Proposed Acquisition offers the Company an opportunity to consolidate and enhance its investments in the private education and precision engineering sectors. In addition, ECMLIB's fund management licence offers synergies and relevance relative to the future direction of the Company and the Group. The Company also believes that the Proposed Acquisition is attractively priced due to the transaction price of RM0.37 (equivalent to S\$0.1282 based on the Exchange Rate) per Subject Share representing a discount of 22.9% to ECMLIB's audited consolidated net asset value for the financial year ended 31 January 2016 of RM0.48 (equivalent to S\$0.1664 based on the Exchange Rate).

Accordingly, the Board is of the view that the Proposed Acquisition is in the best interest of the Group.

2.8. **Relative Figures under Rule 1006 of Catalist Rules**

The relative figures computed on the bases set out in Rule 1006 of the Catalist Rules, which have been based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2015 are as follows:

Catalist Rule	Description	S\$ (million) (A)	S\$ (million) (B)	Relative Figures (A)/(B) in (%)
1006(a)	Net asset value of assets disposed of (A) compared with the net assets value of the Group (B)	Not applicable		
1006(b)	The net profit (net loss) attributable to the assets acquired or disposed of (A), compared with the consolidated net profits of the Group (B)	Not meaningful ⁽¹⁾		
1006(c)	The aggregate value of the consideration given or received (A), compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares (B)	9.51	17.04	55.81% ⁽²⁾
1006(d)	Number of equity securities issued by the Company as consideration for the acquisition (A), compared with the number of equity securities previously in issue (B)	Not applicable		
1006(e)	Aggregate volume or amount of proven and probable reserves to be disposed of (A), compared with the Group's proven and probable reserves (B)	Not applicable		

Notes:

- (1) The net profits attributable to the assets to be acquired, based on ECMLIB's audited financial results for the financial year ended 31 January 2016, was RM2.89 million (or S\$1.0 million based on the Exchange Rate). As at 31 December 2015, the Group recorded a loss before taxation of S\$3.268 million. As such, the computation of the relative figure pursuant to Rule 1006(b) is negative.
- (2) Based on the Company's market capitalisation of approximately S\$17.04 million determined by multiplying the 165,451,344 Shares in issue by the VWAP of the Shares of S\$0.103 per Share based on trades done on the Catalist board of the SGX-ST on 17 February 2016 (being the last full market day preceding the date of the SSA on which the Company's shares were traded on the Catalist board of the SGX-ST).

The Proposed Acquisition constitutes a disclosable transaction pursuant to Chapter 10 of Catalist Rules, which does not require Shareholders' approval under the Catalist Rules.

Notwithstanding the foregoing, the Company intends to seek Shareholders' approval for the Proposed Acquisition since, *inter alia*, that the approval of the Proposed Acquisition by the Shareholders is required as a condition precedent under the SSA.

The Proposed Acquisition (Ordinary Resolution 1) is subject to and contingent upon the passing of Ordinary Resolution 2, being the resolution relating to the Proposed RCULS Issue, as detailed in section 3 of the Circular as the Company intends to fund the Purchase Consideration with the proceeds of the Proposed RCULS Issue.

3. PROPOSED RCULS ISSUE

3.1. Introduction

Mr LKO has by a letter of undertaking dated 23 February 2016 issued to the Company (“**Undertaking Letter**”) agreed that upon satisfaction of the SSA Conditions Precedent, Mr LKO shall subscribe for S\$10 million in aggregate principal amount of redeemable convertible unsecured loan stocks.

In connection with the foregoing, the Company had on 19 April 2016 announced that Mr LKO has entered into the RCULS Subscription Agreement with the Company on 19 April 2016 (“**RCULS Subscription Agreement**”) pursuant to which Mr LKO shall subscribe for the RCULS. The RCULS Subscription Agreement is subject to, *inter alia*, the approval of the Shareholders. A summary of the terms and conditions of the RCULS and the RCULS Subscription Agreement are set out in sections 3.7 and 3.8 of this Circular respectively.

The RCULS Subscription Agreement and the Undertaking Letter were negotiated at arms’ length and concluded on a willing-buyer willing-seller basis and after taking into consideration, *inter alia*, the traded Share price of the Company prior to the signing of the Undertaking Letter.

The Company and Mr LKO had on 29 April 2016 entered into a supplemental agreement (“**Supplemental Agreement**”) in relation to the RCULS Subscription Agreement to, *inter alia*, further clarify that the Interest due under the RCULS shall be accrued on a daily basis (without compounding), instead of an annual basis (as previously announced on 19 April 2016). For the avoidance of doubt, notwithstanding the Supplemental Agreement, the maximum Interest that may accrue under the RCULS will remain at S\$250,000 (as previously announced on 25 February 2016 and 19 April 2016).

3.2. Information on Mr LKO

Mr LKO is a Director and Controlling Shareholder of the Company.

As at the Latest Practicable Date, Mr LKO has an interest in 68,415,627 Shares comprising 41.35% of the issued share capital of the Company. 40,415,627 Shares are held by Citibank Nominees Singapore Pte. Ltd. for Bank Julius Baer (Singapore) Ltd for Mr LKO and Ms QSL jointly and (ii) 28,000,000 Shares are held by DBSN Services Pte. Ltd. for A/c JPMorgan Bank Luxembourg SA re JP Morgan Private Bank for Mr LKO and Ms QSL jointly.

3.3. Rationale for the Proposed RCULS Issue

The main purpose of the Proposed RCULS Issue is to raise funds for the Proposed Acquisition.

Under the terms of the SSA, the parties have agreed that the Proposed Acquisition must be completed by the Stop Date, failing which, TPL and the Company, by virtue of the Letter of Guarantee, shall be obliged to cause and procure a new purchaser to carry on with the purchase of the Subject Shares in accordance with the terms and conditions of the SSA.

In view of the foregoing, the parties to the SSA had contemplated that the Company would undertake the Proposed RCULS Issue to fund the Purchase Consideration due for the purchase of the Subject Shares, and having considered various options, the Board is of the view that the Proposed RCULS Issue is the most expeditious and cost efficient way towards raising the monies required to complete the Proposed Acquisition.

3.4. Use of Proceeds

The proceeds from the Proposed RCULS Issue shall be utilised as follows:

- (a) 95.1% to pay the Purchase Consideration for the Proposed Acquisition; and
- (b) 4.9% to pay for expenses in connection with the Proposed Acquisition and the Proposed RCULS Issue and for general working capital purposes.

Pending deployment of the proceeds, such deposits may be placed as deposits with banks and/or financial institutions, invested in short term money markets or debt instruments or for any other purpose on a short term basis as the Directors may, in their absolute discretion, deem fit from time to time.

The Group had a negative working capital of S\$1.499 million as at 31 December 2015. This aside, the Directors are of the view that the Group will have continued access to banking facilities made available to the Group with the support of Mr LKO as guarantor to those facilities. Mr LKO has committed to the Group to continue to provide and not withdraw such personal guarantees so as to enable the Group to have continued access to these banking facilities. Further, the Directors are of the view that there may be opportunities for the Group to secure additional borrowings by securing its long-term assets which are currently unencumbered. Subsequent to 31 December 2015, TP Real Estate Holdings Pte Ltd, a joint venture company in which the Company has a 50% effective interest, has vide its 100% subsidiaries TP Services (Melbourne) Pty Limited and TP Melbourne Pty Limited as Trustee for The TP Hotel (Melbourne) Trust disposed of the property known as 609 Swanston Street Melbourne and its hotel business (the “Disposal”). Taking into account, *inter alia*, the banking facilities available to the Group and net proceeds from the Disposal, the Directors are of the opinion that the working capital available to the Group is sufficient to meet its present requirements.

The Company will make periodic announcements on the utilisation of the proceeds from the Proposed RCULS Issue (“Proceeds”), as and when the funds from the Proposed RCULS Issue are materially disbursed. The Company will also provide a status report on the use of the Proceeds in the Company’s interim and full-year financial statements issued under Rule 705 of the Catalist Rules and the Company’s annual report. Where there is a material deviation from the stated use of the Proceeds, the Company will announce the reasons for such deviation. Where the Proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the proceeds for working capital.

3.5. Exemption from requirement of prospectus

The offer by the Company to Mr LKO to subscribe for the RCULS is made in reliance on the exemption under section 272B of the SFA. It is not made in or accompanied by a prospectus or offer information statement that is registered with the Monetary Authority of Singapore.

3.6. Status of RCULS

Rule 826 of the Listing Rules states as follows:

When listing company warrants or other convertible securities, the issuer should ensure a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, the Exchange expects at least 100 warrant holders for a class of company warrants.

Rule 826 of the Catalist Rules does not apply to the Proposed RCULS Issue since the RCULS will not be listed on the SGX-ST.

3.7. Salient Terms of the RCULS Subscription Agreement

In the following paragraphs, the salient terms of the RCULS Subscription Agreement are summarised and described. The summary in this section 3.7 of this Circular does not purport to be complete and is qualified in its entirety by reference to the detailed information in the RCULS Subscription Agreement, which is available for inspection as set out in Section 22 of this Circular. Shareholders should read the summary in this section together with the actual terms and conditions of the RCULS Subscription Agreement.

(a) RCULS

Subject to the conditions in the RCULS Subscription Agreement, Mr LKO has agreed to subscribe, and the Company has agreed to issue, 0.5% redeemable convertible unsecured loan stocks due 2021, each with a principal amount of S\$100,000 and amounting in aggregate to a principal amount of S\$10,000,000 in accordance with the terms and conditions of the RCULS Subscription Agreement (“RCULS”).

(b) Conditions Precedent

Mr LKO shall not be obliged to subscribe and pay for the RCULS unless the conditions precedent of the RCULS Subscription Agreement have been satisfied on or before 31 May 2016. The conditions precedent of the RCULS Subscription Agreement include generally the following:

- (i) the approval of Shareholders obtained at a general meeting of the Company for (i) the Proposed Whitewash Resolution in respect of, and (ii) the offer or sale, or invitation for subscription or purchase, or the issue, of the RCULS, the allotment and issue of, the Conversion Shares and the Interest Shares upon the exercise of the conversion rights in respect of the RCULS and the Interest and all other matters in relation thereto and in connection therewith shall have been obtained, and such approval shall not have been amended, withdrawn, revoked or cancelled on or before the fifth business day immediately after the last of the conditions precedent is fulfilled or waived (“Closing Date”) (“Shareholders Approvals”);
- (ii) Mr LKO and/or his concert parties obtaining the Whitewash Waiver from the SIC in respect of the issue of the Conversion Shares and the Interest Shares; and
- (iii) all the Approvals for the transactions contemplated under the RCULS Subscription Agreement shall have been duly obtained, and such Approvals shall not have been amended, withdrawn, revoked or cancelled and, where any of the Approvals are obtained subject to any conditions, such conditions being acceptable to Mr LKO, and to the extent that any such conditions are required to be fulfilled on or before the Closing Date, they are fulfilled.

“Approvals” refer to all necessary approvals and/or consents (including but not limited to the relevant listing and quotation notice by the SGX-ST) of all requisite regulatory authorities (including the SGX-ST) in respect of (i) the offer or sale, or invitation for subscription or purchase or issue of the RCULS, (ii) the allotment and issue of the Conversion Shares and the Interest Shares upon the exercise of the conversion rights in respect of the RCULS on the terms of the RCULS Subscription Agreement and the Conditions, and (iii) the listing of and quotation for the Conversion Shares and the Interest Shares on the SGX-ST.

As at the Latest Practicable Date, only the condition set out in section 3.7(b)(ii) above has been fulfilled. Please refer to section 14 of this Circular for further details of the application for the listing and quotation notice of the Conversion Shares and Interest Shares.

(c) **Termination Rights**

Mr LKO may at his absolute discretion, by notice in writing to the Company, terminate the RCULS Subscription Agreement at any time before the Closing Date, in certain circumstances, including generally, *inter alia*:

- (i) there shall have come to the notice of Mr LKO any breach of, or any event rendering untrue or incorrect in any material respect, any of the representations, warranties, undertakings and covenants set forth in the RCULS Subscription Agreement or the failure to perform any of the Company's representations or warranties set forth in the RCULS Subscription Agreement in any material respect;
- (ii) if in the reasonable opinion of Mr LKO:
 - (1) there shall have been any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations, or affecting the properties, which materially and adversely affects the ability of the Company and/or its subsidiaries, taken as a whole, to perform its obligations under the RCULS Subscription Agreement and the Conditions; or
 - (2) there shall have been an imposition of a new legal or regulatory restriction not in effect on the date hereof, or any change in the interpretation of existing legal or regulatory restrictions, that adversely affects the ability of the Company and/or its subsidiaries, taken as a whole, to perform its obligations under the RCULS Subscription Agreement, or the offering, sale or delivery of the RCULS or the Conversion Shares or the Interest Shares;
- (iii) an event of default has occurred in respect of any RCULS, bonds or other similar debt-to-equity securities of the Company or any of its subsidiaries issued and outstanding; or
- (iv) there shall have been a suspension, or material limitation, of trading of any shares of the Company by the SGX-ST for five consecutive business days (other than any temporary trading halt or suspension at the request of the Company of up to a maximum period of seven consecutive business days); or
- (v) there shall have been a delisting or an order for delisting or a threatened delisting of the Company from the SGX-ST;
- (vi) an Event of Default (defined in section 3.8(h) of this Circular) has occurred and is continuing; and
- (vii) any of the approvals, consents or waivers obtained by the Company are revoked, rescinded or cancelled prior to the Closing Date or, where any of such approvals were obtained subject to any conditions which were required to be fulfilled on or before the Closing Date, they were not fulfilled.

3.8. **Salient Terms and Conditions of the RCULS**

The salient terms and conditions of the RCULS (“**Conditions**”) are summarised and described in this section 3.8. The summary does not purport to be complete and is qualified in its entirety by reference to the detailed information in the RCULS Subscription Agreement, which is available for inspection as set out in section 22 of this Circular. Shareholders should read the summary in this section together with the actual terms and conditions of the RCULS, which are set out in its entirety in Schedule 2 of the RCULS Subscription Agreement.

(a) **Status of RCULS, Conversion Shares and Interest Shares**

The RCULS constitute (a) direct, unconditional, unsubordinated and unsecured obligations of the Company, rank *pari passu* and rateably without any preference among themselves, and, subject as mentioned above and save as otherwise provided under any applicable law or regulations, equally with all other unsecured obligations (other than subordinated obligations, if any) of the Company from time to time outstanding, and (b) valid and binding legal obligations of the Company to pay to Mr LKO, the sums represented thereby.

The RCULS will not be listed on the SGX-ST.

The Conversion Shares and Interest Shares, when allotted and issued on conversion of the RCULS or Interest (as the case may be) will, with effect from the relevant date the relevant Conversion Shares or Interest Shares are credited to Mr LKO's nominated securities account or Mr LKO or his nominee is registered as such in the Company's register of members (the "**Registration Date**"), rank *pari passu* in all respects with the other Shares then outstanding, except for any dividends, rights, allotments or other distributions, the record date for which is prior to the relevant Registration Date.

(b) **Conversion Right**

Any RCULS may be converted into, validly allotted and issued, fully-paid and unencumbered Shares with all rights attached, at the option of the holder thereof, at any time, from and including the respective dates on which they are issued and registered in accordance with the RCULS Subscription Agreement up to the close of business (at the place where the RCULS is deposited for conversion, namely, Singapore) on the day falling one month prior to the Maturity Date (the "**Conversion Period**"). "**Maturity Date**" means 60 months from the date of issue of the RCULS.

The number of Shares to which a RCULS Holder is entitled on conversion of any RCULS ("**Conversion Shares**") or Interest shall be determined by dividing the aggregate principal amount of the RCULS or Interest (as the case may be) to be converted by the Conversion Price (as defined below), determined as hereinafter provided, in effect on the relevant Conversion Date (as defined below). Fractions of a Share will not be issued on conversion of the RCULS or Interest and no adjustment or cash payment will be made in respect thereof.

The delivery of Shares upon the exercise of the conversion rights under these Conditions shall be effected by crediting the securities account designated by Mr LKO. Mr LKO shall be entitled at all times to elect, in his sole and absolute discretion, to have some or all of the Conversion Shares and/or the Interest Shares delivered to (i) Mr LKO, (ii) Ms QSL, (iii) an entity or trust wholly owned or controlled by Mr LKO and/or Ms QSL or (iv) a combination of all or any of the foregoing persons ("**Nomination Provision**"). As at the Latest Practicable Date, Mr LKO has indicated that he intends to limit the exercise of the Nomination Provision to (a) himself and/or (b) a company wholly owned and controlled by him and/or (c) himself and Ms QSL jointly.

(c) **Conversion Price**

The price at which each Share shall be issued upon conversion of the RCULS or the Interest is S\$0.13 (subject to the adjustments provided in the Conditions) ("**Conversion Price**"). The Conversion Price of S\$0.13 represents a (i) 26.21% premium above the volume weighted average price of the Company's Shares of S\$0.103 per Share based on trades done on the Catalist board of the SGX-ST on 17 February 2016 (being the last full market day preceding the date of the SSA on which the Company's shares were traded on the Catalist Board of the SGX-ST); and (ii) 31.3% premium above the volume weighted average price of the Company's Shares of S\$0.099 per Share based on trades done on the Catalist board of the SGX-ST on 19 April 2016 (being the full market day on which the RCULS Subscription Agreement was signed).

(d) **Interest**

The RCULS will bear interest at the rate of 0.5% per annum on the principal amount of the RCULS (“**Interest**”). Interest shall accrue on a daily basis (without compounding) and is payable on the Maturity Date. Each RCULS shall cease to bear Interest (a) on conversion into Shares (without prejudice to Interest accrued prior to the conversion date), or (b) from the due date for redemption hereof.

The Interest may, at the discretion of Mr LKO, be satisfied fully either in (i) cash or (ii) through the issue and allotment of Shares (“**Interest Shares**”) by the Company at the discretion of Mr LKO.

If Mr LKO elects to receive cash in satisfaction of the Interest, the Interest (including interest on converted and unconverted RCULS) shall only be payable on the Maturity Date.

If Mr LKO elects to receive Shares in lieu of cash in satisfaction of the Interest accrued on any RCULS (i) in the case of any RCULS which is to be converted prior to the Maturity Date, such election must be notified to the Company in a conversion notice and (ii) in all other cases, such election shall be notified to the Company by no later than the expiry of the Conversion Period.

(e) **Redemption Right**

The RCULS which are not converted into Conversion Shares by Mr LKO on or prior to the Maturity Date shall be redeemed by the Company at 100% of the principal amount of the RCULS together with the Interest. All RCULS which are redeemed or converted will forthwith be cancelled by the Company and may not be reissued or resold.

(f) **Adjustments to the Conversion Price**

Under the Conditions, the Conversion Price is generally subject to adjustment following the occurrence of, *inter alia*:

- (i) a consolidation, sub-division or re-classification;
- (ii) a capital distribution; and
- (iii) rights issues of Shares or options over Shares or other securities.

The list of adjustment events is set forth in [Appendix 1](#) to this Circular. Except where adjustments are made pursuant to the Conditions, any material modification to the Conditions after the issue of the RCULS to the advantage of Mr LKO will have to be approved by Shareholders.

Whenever the Conversion Price is adjusted, the Company shall promptly notify Mr LKO setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment and the effective date thereof.

(g) **Covenants**

The Company covenants with and undertakes to Mr LKO that, so long as any of the RCULS are outstanding:-

- (i) it will keep available free from pre-emptive or other rights for the purpose of effecting the conversion of the RCULS such number of its unissued Shares to satisfy fully the conversion rights under the outstanding RCULS and will ensure that all Shares delivered upon conversion of RCULS pursuant to the Conditions will be validly issued, fully-paid and unencumbered Shares that form part of the issued share capital of the Company;

- (ii) it will use (i) its best endeavours to procure the maintenance of listing of all the issued and outstanding Shares on the Official List of the Catalist of the SGX-ST and (ii) its best endeavours to obtain and maintain a listing on the Official List of the Catalist of the SGX-ST for the Shares which will be allotted on the exercise of the conversion rights; and
- (iii) if any offer is made to all holders of Shares (or such holders other than the offeror and/or any company controlled by the offeror and/or persons associated or acting in concert with the offeror) to acquire all, or a portion of the Shares and such offer comes to the actual knowledge of the Company, it will give notice of such offer to Mr LKO within 14 business days after obtaining such knowledge.

(h) **Events of Default**

If any of the following events ("**Events of Default**") occurs:

- (i) where any of the approvals and/or consents including the Approvals required to be obtained by the Company under the RCULS Subscription Agreement in respect of the transactions contemplated therein were revoked, rescinded or cancelled;
- (ii) where any of the approvals and/or consents including the Approvals required to be obtained by the Company under the RCULS Subscription Agreement in respect of the transactions contemplated therein were obtained subject to any conditions which were required to be fulfilled on or before the applicable issue date(s) of the RCULS by the Company, such conditions were not fulfilled;
- (iii) there is default by the Company in the payment of the principal or interest in respect of the RCULS or any of them when due in accordance with the Conditions;
- (iv) there is default by the Company in the performance or observance of any covenant, condition, provision or obligation (including the performance of its obligations to allot and issue Shares arising from the conversion of the RCULS as and when Mr LKO exercises his conversion rights in accordance with the Conditions), contained in the RCULS and on its part to be performed or observed;
- (v) a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved otherwise than for the purposes of or pursuant to a consolidation, amalgamation, merger, reconstruction or reorganisation the terms of which have previously been approved in writing by Mr LKO ("**Approved Reorganisation**") or which is approved by the Shareholders, as the case may be, and upon which the continuing corporation effectively assumes the entire obligations of the Company, as the case may be, under the RCULS;
- (vi) an encumbrancer takes possession of or a receiver is appointed for the whole or a material part of the assets or undertaking of the Company and/or a subsidiary;
- (vii) (aa) the Company or any subsidiary is unable to pay its debts as and when they fall due, or (bb) the Company or any subsidiary (otherwise than for the purposes of such an Approved Reorganisation) ceases or through an official action of the board of directors of the Company or any subsidiary, as the case may be, threatens to cease to carry on its business, and such action has a material adverse effect on the Group;
- (viii) proceedings shall have been initiated against the Company or any subsidiary under any applicable bankruptcy, reorganisation or insolvency law and such proceedings have not been discharged or stayed within a period of seven business days thereof;

- (ix) the Company or any subsidiary shall initiate or consent to proceedings seeking with respect to itself adjudication of bankruptcy or a decree of commencement of composition or reorganisation or other similar procedures or the appointment of an administrator or other similar official under any applicable bankruptcy, reorganisation or insolvency law or make a general assignment for the benefit of, or enter into any composition with, its creditors, and such action has a material adverse effect on the Group; and
- (x) the delisting or an order for delisting or threatened delisting of the Shares from the SGX-ST of the Shares on the SGX-ST for a period of seven consecutive Business Days or more (other than any temporary trading halt or suspension of trading of up to a maximum period of ten consecutive business days),

then any RCULS may, by notice in writing given to the Company at its registered office, be declared immediately due and payable whereupon it shall become immediately due and payable at 100% of its principal amount together with Interest without further formality.

(i) **Liquidation**

In the event that the Company goes into liquidation, the RCULS will rank:

- (i) subordinate to any present and future secured debt obligations of the Company;
- (ii) *pari passu* among themselves;
- (iii) at least *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Company; and
- (iv) in priority to all Shares.

(j) **Announcements and Approvals**

The Company will:

- (i) announce any adjustment made to the Conversion Price and resulting number of the Shares, in the event of rights, bonus or other capitalisation issues; and
- (ii) announce the expiry of the RCULS on the Maturity Date, and notice of the expiry will be sent to Mr LKO at least one (1) month before the Maturity Date.

(k) **Modifications**

The Company will obtain Shareholders' approval for any material modification to the Conditions which is for the benefit of Mr LKO, unless such modification is made pursuant to the terms of the RCULS.

3.9. **Shareholders' approval**

(a) **Chapter 8 of the Catalist Rules**

Section 161 of the Companies Act and Rules 805, 806 and 824 of the Catalist Rules provide that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares and convertible securities, unless such shares are issued under a general mandate obtained from shareholders in general meeting. The Company will not be relying on the general mandate obtained from Shareholders at the last annual general meeting held on 28 April 2016, but is seeking a specific approval of Shareholders for the Proposed RCULS Issue and the allotment

and issue of the Conversion Shares and Interest Shares, for purposes of Section 161 of the Companies Act and Rules 805, 806 and 824 of the Catalist Rules.

Rule 812 of the Catalist Rules provides that, unless otherwise approved by Shareholders, an issue of shares and convertible securities must not be placed to, *inter alia*, the issuer's directors and substantial shareholder. Mr LKO is a Director and Substantial Shareholder of the Company. Accordingly, the Company will be seeking the approval of Shareholders for the Proposed RCULS Issue and the allotment and issue of the Conversion Shares and Interest Shares, to Mr LKO for the purposes of Rule 812 of the Catalist Rules.

(b) **Chapter 9 of the Catalist Rules**

Rule 906 of the Listing Manual provides that an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than, *inter alia*, five per cent (5%) of the Group's latest audited NTA.

Mr LKO, being a director and controlling shareholder of the Company is defined as an "Interested Person" of the Company whilst the Company is an "Entity at Risk" under Chapter 9 of the Catalist Rules. Accordingly, the issue of the RCULS to Mr LKO constitutes an "Interested Person Transaction" within the ambit of Chapter 9 of the Catalist Rules.

As the aggregate value of the Conversion Shares and Interest Shares to be issued upon the conversion of the RCULS and the Interest is S\$10.25 million (comprising the principal amount of S\$10.00 million and interest payable of S\$0.25 million) represents approximately 32.72% of the Group's latest audited NTA of approximately S\$31.33 million as at 31 December 2015 which exceeds five per cent (5%) of the Group's latest audited NTA, the Company will be seeking the approval of Shareholders for the Proposed RCULS Issue pursuant to Rule 906 of the Catalist Rules.

In FY2015, there were no Interested Person Transactions entered into by the Group with Mr LKO and there were also no Interested Person Transactions involving the Group. As at the Latest Practicable Date, save for the Undertaking Letter, the ECMLIB MGO Undertaking and the RCULS Subscription Agreement, there were no Interested Person Transactions entered into by the Group with Mr LKO for the period from 1 January 2016 to the Latest Practicable Date and there are no Interested Person Transactions involving the Group for the period from 1 January 2016 to the Latest Practicable Date.

(c) **Proposed Whitewash Resolution**

As the issue and allotment of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS may result in Mr LKO (who is at the Latest Practicable Date, deemed interested in 41.35% of the issued share capital of the Capital) increasing his shareholding interest in the Company by one per cent (1%) or more within a period of six (6) months, the SIC has on 11 April 2016 ruled that Mr LKO would be required to make a mandatory takeover offer under Rule 14 of the Code, to acquire all the issued Shares of the Company (other than those already owned, controlled or agreed to be acquired by Mr LKO and his concert parties) by reason of the acquisition of the Conversion Shares and/or Interest Shares.

Pursuant to the terms of the RCULS Subscription Agreement, the Proposed RCULS Issue is conditional upon, *inter alia*, the grant of the Whitewash Waiver by the SIC and approval by the Independent Shareholders of the Proposed Whitewash Resolution.

The Company had on 19 April 2015 announced that the SIC had on 11 April 2016 granted the Whitewash Waiver subject to the satisfaction of the SIC Conditions, details of which are set out in section 4 of this Circular.

SAC Capital Private Limited has been appointed as the IFA to advise the Independent Directors in relation to the Proposed Whitewash Resolution, details of which are set out in section 4 of this Circular. A copy of the IFA Letter is reproduced in Appendix 2 to this Circular.

The Proposed RCULS Issue (Ordinary Resolution 2) is subject to and contingent upon the passing of:

- (i) Ordinary Resolution 1 (being the resolution relating to the Proposed Acquisition, as detailed in section 2 of this Circular) since the main purpose of the Proposed RCULS Issue is to raise funds for the Proposed Acquisition; and
- (ii) Ordinary Resolution 3 (being the resolution relating to the Proposed Whitewash Resolution, as detailed in section 4 of the Circular) as one of the conditions precedent under the RCULS Subscription Agreement requires the passing of the Proposed Whitewash Resolution.

3.10. **Advice from the IFA**

SAC Capital Private Limited has also been appointed as the IFA to advise the Audit Committee (save for Mr LKO) in respect of the Proposed RCULS Issue for the purposes of Chapter 9 of the Catalist Rules. Please refer to the advice of the IFA set out in the IFA Letter, a copy of which is reproduced in Appendix 2 to this Circular.

Shareholders are advised to read the IFA Letter carefully. Having taken into consideration the factors set out in the IFA Letter, and subject to the assumptions and qualifications set out in the IFA Letter, the IFA is of the opinion that the Proposed RCULS Issue as an Interested Person Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and the minority Shareholders. Please refer to Appendix 2 to this Circular for the opinion of the IFA.

3.11. **Audit Committee's statement**

The members of the Audit Committee of the Company (save for Mr LKO) do not have any interests in the Proposed RCULS Issue and are accordingly deemed to be independent for the purposes of the Proposed RCULS Issue.

The Audit Committee of the Company (save for Mr LKO), having reviewed, among other things, the terms, rationale and benefits of the Proposed RCULS Issue and after considering the advice of the IFA as set out in Appendix 2 to this Circular, is of the view that the Proposed RCULS Issue is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

4. **EFFECTS OF THE PROPOSED RCULS ISSUE ON THE SHARE CAPITAL**

4.1. **Effects on Share Capital**

As noted above in section 3 of this Circular, Mr LKO may in his sole and absolute discretion elect to convert the RCULS and the Interest due thereunder into the Conversion Shares and Interest Shares respectively. Assuming that the RCULS and the Interest are converted to the fullest extent and the Conversion Price has not been adjusted according to the Conditions of the RCULS, the Company will issue and allot 78,846,152 Shares, comprising 76,923,076 Conversion Shares and 1,923,076 Interest Shares ("**Full Conversion**").

In the event of a Full Conversion, the issued share capital of the Company will increase from 165,451,344 Shares as at the Latest Practicable Date ("**Existing Issued Share Capital**") to 244,297,496 Shares ("**Enlarged Issued Share Capital**").

The aggregate number of Conversion Shares and Interest Shares represent 47.66% and 32.27% of the Existing Issued Share Capital and Enlarged Issued Share Capital respectively.

The effects of the Proposed RCULS Issue (assuming the occurrence of a Full Conversion) on the shareholding interest of Directors and substantial shareholders of the Company are set out in the table below:

	As at Latest Practicable date		After Full Conversion	
	Based on the Existing Issued Share Capital		Based on the Enlarged Issued Share Capital	
	Direct and deemed interest (Number of Shares)	Shareholding Percentage (%)	Direct and deemed interest (Number of Shares)	Shareholding Percentage (%)
Directors				
Mr LKO	68,415,627 ⁽¹⁾	41.35	147,261,779 ⁽²⁾	60.28
Mr GL	-	-	-	-
Michael Kan Yuet Yun PBM	-	-	-	-
Chong Huai Seng	-	-	-	-
Oh Teik Khim	-	-	-	-
Substantial Shareholders				
Mr LKO and Ms QSL	68,415,627 ⁽¹⁾	41.35	147,261,779 ⁽²⁾	60.28
Ng Kok Hin	10,578,675	6.39	10,578,675	4.33
Tan Sri Dr. Anthony Francis Fernandes ⁽³⁾	12,325,000	7.45	12,325,000	5.05
Datuk Kamarudin Bin Meranun ⁽⁴⁾	12,325,000	7.45	12,325,000	5.05

Notes:

- (1) (i) 40,415,627 Shares are held by Citibank Nominees Singapore Pte. Ltd. for Bank Julius Baer (Singapore) Ltd for Mr LKO and Ms QSL jointly and (ii) 28,000,000 Shares are held by DBSN Services Pte. Ltd. for A/c JPMorgan Bank Luxembourg SA re JP Morgan Private Bank for Mr LKO and Ms QSL jointly.
- (2) Assuming Full Conversion, Mr LKO's direct and deemed interest in the Shares will increase from 68,415,627 Shares to 147,261,779 Shares
- (3) Held by HSBC (Singapore) Noms Pte. Ltd. for Tan Sri Dr. Anthony Francis Fernandes
- (4) Held by Citibank Nominees Singapore Pte. Ltd. for Datuk Kamarudin Bin Meranun

4.2. Mr LKO and the Controlling Shareholder Concert Group

As mentioned above, Mr LKO's direct and deemed interest will increase from 41.35% of the Existing Issued Share Capital to 60.28% of the Enlarged Issued Share Capital as a result of the Full Conversion.

As at the Latest Practicable Date, Mr LKO's shareholding interest combined with the Controlling Shareholder Concert amounts aggregates to 83,270,535 Shares representing 50.33% of the Existing Issued Share Capital, and assuming the Full Conversion, the shareholding interest of Mr LKO and the Controlling Shareholder Concert Group in the Company will further increase, from 50.33% of the Existing Issued Share Capital to 66.36% of the Enlarged Issued Share Capital.

Details of the Shares held by Mr LKO and the Controlling Shareholder Concert Group as at the Latest Practicable Date, and assuming Full Conversion are set out in the table below. The dilution effect of the Proposed RCULS Issue (assuming the occurrence of a Full Conversion) on the collective shareholding

interests of the Shareholders other than Mr LKO and the Controlling Shareholder Concert Group are also set out in the table below.

	As at Latest Practicable date		After Full Conversion	
	Based on the Existing Issued Share Capital		Based on the Enlarged Issued Share Capital	
	Direct and deemed interest (Number of Shares)	Shareholding Percentage (%)	Direct and deemed interest (Number of Shares)	Shareholding Percentage (%)
Mr LKO and the Controlling Shareholder Concert Group				
Mr LKO and Ms QSL	68,415,627 ⁽¹⁾	41.35	147,261,779 ⁽²⁾	60.28
Ms LKF	8,175,795 ⁽³⁾	4.94	8,175,795	3.35
Mr LKW	6,679,113 ⁽⁴⁾	4.04	6,679,113	2.73
Total	83,270,535	50.33	162,116,687	66.36
Other Shareholders				
Shareholders other than Mr LKO and the Controlling Shareholder Concert Group	82,180,809	49.67	82,180,809	33.64

Notes:

- (1) (i) 40,415,627 Shares are held by Citibank Nominees Singapore Pte. Ltd. for Bank Julius Baer (Singapore) Ltd for Mr LKO and Ms QSL jointly and (ii) 28,000,000 Shares are held by DBSN Services Pte. Ltd. for A/c JPMorgan Bank Luxembourg SA re JP Morgan Private Bank for Mr LKO and Ms QSL jointly.
- (2) Assuming Full Conversion, the number of Shares held by Mr LKO and Ms QSL in aggregate will increase from 68,415,627 Shares to 147,261,779 Shares.
- (3) 8,175,795 Shares are held by Citibank Nominees Singapore Pte Ltd for Bank Julius Baer (Singapore) Ltd for Ms LKF. Ms LKF is the sibling of Mr LKO.
- (4) (i) 4,965,799 Shares are held by Citibank Nominees Singapore Pte Ltd for Bank Julius Baer (Singapore) Ltd for Mr LKW and (ii) 1,713,314 Shares are held in Mr LKW's own CDP account. Mr LKW is the sibling of Mr LKO.

Save as disclosed above, as at the Latest Practicable Date, Mr LKO and the Controlling Shareholder Concert Group do not hold any instruments convertible into, rights to subscribe for and options in respect of Shares.

4.3. Public Float

Assuming a Full Conversion, the percentage of the issued and paid-up share capital of the Company as at the Latest Practicable Date being held in public hands will be reduced from approximately 28.38% of the Existing Issued Share Capital to 19.22% of the Enlarged Issued Share Capital.

In such an event, the Company would still comply with Rule 723 of the Catalist Rules, which require issuers to have at least 10% of the total number of issued Shares (excluding preference shares, convertible equity securities and treasury shares) in a class that is listed at all times held by the public.

Under the Catalist Rules, "public" refers to persons other than:

- (i) directors, chief executive officer, substantial shareholders, or controlling shareholders of the issuer or its subsidiary companies; and
- (ii) associates of the persons in paragraph (i).

5. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION AND PROPOSED RCULS ISSUE

The financial effects of the Proposed Acquisition and Proposed RCULS Issue (collectively, the “**Proposed Transactions**”) set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Transactions. The tables below sets out the financial effects of the Proposed Transactions based on the latest audited financial statements of the Group for the financial year ended 31 December 2015 (“**FY2015**”).

5.1. NTA per Share

The financial effect on the consolidated net tangible assets (“**NTA**”) per Share as at 31 December 2015 as set out in the table below is computed based on (i) the assumption that the Proposed Transactions were effected on 31 December 2015 and (ii) the incorporation of ECMLIB’s audited financial results for the financial year ended 31 January 2016.

	Before the Proposed Transactions	Assuming the Proposed Transactions were effected on 31 December 2015	Assuming the Proposed Transactions and Full Conversion were effected on 31 December 2015 ⁽²⁾
NTA (S\$)	31,328,002	32,330,967 ⁽¹⁾	42,330,967
Number of Shares	165,451,344	165,451,344 ⁽¹⁾	244,297,496
NTA per Share (cents)	18.93	19.54	17.33

Notes:

- ⁽¹⁾ Including the Company’s share of profits from ECMLIB, and assuming that (i) there is no need for amortisation of the fair value of the conversion rights under the RCULS and (ii) the RCULS and Interest are not converted.
- ⁽²⁾ Assuming that, following a Full Conversion, 76,923,076 Conversion Shares and 1,923,076 Interest Shares will be issued in settlement and satisfaction of the Company’s obligation to pay the aggregate principal amount of the RCULS of S\$10 million and accrued Interest of S\$0.25 million.

5.2. LPS

The financial effect on the loss per share (“**LPS**”) for the financial year ended 31 December 2015 as set out in the table below is computed based on (i) the assumption that the Proposed Transactions were effected on 1 January 2015 and (ii) the incorporation of ECMLIB’s audited financial results for the financial year ended 31 January 2016.

	Before the Proposed Transactions	Assuming the Proposed Transactions were effected on 1 January 2015	Assuming the Proposed Transactions were effected on 1 January 2015 and Full Conversion occurs on 31 December 2015 ⁽²⁾
Loss attributable to Shareholders (S\$)	(3,267,565)	(2,314,600) ⁽¹⁾	(2,314,600)
Weighted average number of Shares	165,451,344	165,451,344 ⁽¹⁾	244,297,496
LPS per Share (cents)	(1.97)	(1.40)	(0.95)

Notes:

- ⁽¹⁾ Including the Company’s share of profits from ECMLIB and the accrued Interest of S\$50,000 for the period commencing 1 January 2015 and ending 31 December 2015, and assuming that (i) there is no need for amortisation of the fair value of the conversion rights under the RCULS and (ii) the accrued Interest and RCULS are not converted.

⁽²⁾ Assuming that, following a Full Conversion, 76,923,076 Conversion Shares and 1,923,076 Interest Shares will be issued in settlement and satisfaction of the Company's obligation to pay the aggregate principal amount of the RCULS of S\$10 million and accrued interest of S\$0.25 million and that, due to the Full Conversion, there will be no interest impact on the loss attributable to Shareholders.

6. PROPOSED WHITEWASH RESOLUTION

6.1. Mandatory Offer Requirement under the Code

Under Rule 14 of the Code, (i) any person who acquires, whether by a series of transactions over a period of time or not, shares which, taken together with shares held or acquired by persons acting in concert with him, carry 30% or more of the voting rights in a company; or (ii) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one per cent (1%) of the voting rights, is required to make a mandatory general offer, for all shares in the company concerned which he does not already own, control or has agreed to acquire.

As at the Latest Practicable Date, Mr LKO and the Controlling Shareholder Concert Group holds an aggregate of 83,270,535 Shares representing approximately 50.33% of the voting rights in the Company. Mr LKO is deemed interested in 68,415,627 Shares representing approximately 41.35% of the voting rights of the Company.

Under Note 5 on Rule 14.1 of the Code, a member of a group acting in concert may also be required to make a mandatory general offer where his shareholding increases to 30% or more, or if he already holds between 30% and 50%, by more than 1% in any six (6) months period, notwithstanding that the shareholding of such group is already more than 50%.

The conversion of the RCULS and/or Interest into Conversion Shares and/or Interest Shares may result in Mr LKO increasing his shareholding interest in the Company by one per cent (1%) or more within a period of six (6) months.

In view of the above, an application was made on behalf of the Company and Mr LKO to, *inter alia*, obtain a waiver from the SIC of the obligation for him and his concert parties to make a mandatory general offer under Rule 14 of the Code in the event such obligation is incurred resulting from the acquisition of the Conversion Shares and/or the Interest Shares.

6.2. Confirmation from the SIC

The SIC had by way of a letter dated 11 April 2016 ("**First SIC Letter**"), ruled that Mr LKO will incur an obligation to make a general offer under Rule 14 of the Code by reason of the acquisition of the Conversion Shares and/or the Interest Shares and waived the obligation for Mr LKO to make a mandatory general offer under Rule 14 of the Code as a result of acquisition of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS, subject to the following conditions:

- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the RCULS to Mr LKO, the Proposed Whitewash Resolution by way of poll to waive their rights to receive a general offer from Mr LKO;
- (b) the Proposed Whitewash Resolution is separate from other resolutions;
- (c) Mr LKO, the Controlling Shareholder Concert Group and parties acting in concert with them ("**Relevant Parties**") and parties not independent of them abstain from voting on the Proposed Whitewash Resolution;
- (d) the Relevant Parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for,

instruments convertible into or options in respect of new Shares which have been disclosed in the Circular):

- (i) during the period between the announcement on the Proposed Acquisition and the Proposed RCULS Issue dated 25 February 2016 (“**Acquisition Announcement**”) and the date on which shareholders’ approval is obtained for the Proposed Whitewash Resolution; and
 - (ii) in the six (6) months prior to the Acquisition Announcement but subsequent to negotiations, discussions or reaching of understandings or agreements with the Directors in relation to such issue;
- (e) the Company appoints an independent financial adviser for the purpose of advising the Independent Shareholders on the Proposed Whitewash Resolution;
- (f) the Company sets out clearly in this Circular:
 - (i) details of the Proposed RCULS Issue;
 - (ii) the dilution effect to the existing holders of voting rights in the Company upon the acquisition of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS to be issued;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares, which are held by the Relevant Parties at the Latest Practicable Date;
 - (iv) the number and percentage of voting rights to be acquired by the Relevant Parties as a result of the acquisition of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS to be issued;
 - (v) specific and prominent reference to the fact that the acquisition of the Conversion Shares and/or the Interest Shares by the Relevant Parties pursuant to the terms of the RCULS could result in Mr LKO holding Shares carrying over 49% of the voting rights of the Company based on its enlarged issued share capital, and the fact that Mr LKO will as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer;
 - (vi) specific and prominent reference to the fact that Shareholders, by voting for the Proposed Whitewash Resolution, are waiving their rights to a general offer from Mr LKO at the highest price paid by the Relevant Parties for the Shares in the past six (6) months preceding the commencement of the offer; and
 - (vii) specific and prominent reference to the fact that Shareholders, by voting for the Proposed Whitewash Resolution, could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the RCULS to be issued;
- (g) this Circular states that that the waiver granted by the SIC to Mr LKO from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated in conditions (a) to (f) above;
- (h) the Company obtain the approval of the SIC in advance for those parts of the Circular that refer to the Proposed Whitewash Resolution;
- (i) to rely on the Proposed Whitewash Resolution, (aa) the issue of the RCULS must be completed within three (3) months of the approval of the Proposed Whitewash Resolution; and (bb) the

acquisition of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS must be completed within five (5) years of the date of RCULS are issued; and

- (j) the Relevant Parties provide a written undertaking to the SIC that they will comply or procure the appropriate person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Code,

(collectively, the “**SIC Conditions**”).

As at the date of this Circular, all the above conditions (save for conditions (a) and (i) above), have been satisfied.

It was also stated in the First SIC Letter that the Whitewash Waiver may be invalidated if there are any purchases of voting rights by the Relevant Parties prior to the acquisition of the Conversion Shares and/or Interest Shares pursuant to the terms of the RCULS (“**Condition**”).

Subsequent to the issue of the First SIC Letter, an application was made on the behalf of the Company and Mr LKO to seek certain confirmations from SIC in relation to the Condition and the Whitewash Waiver, given that with the proposed grant of Options and Awards to Mr LKO, Mr GL and Ms LKF (as further set out in section 11 of this Circular below), Shares may be acquired by such persons pursuant to the exercise of such Options and/or Vesting of such Awards within period(s) falling prior to the acquisition of the Conversion Shares and/or Interest Shares pursuant to the terms of the RCULS.

In connection with the above, the SIC had by way of a letter dated 27 April 2016 (“**Second SIC Letter**”) confirmed that:

- (1) (i) notwithstanding the Condition, the Relevant Parties may acquire Shares pursuant to the Plato ESOS 2016 and/or the Plato PSP 2016 after the Proposed Whitewash Resolution is approved, provided that only new Shares are acquired while the Whitewash Waiver remains valid; and (ii) the Whitewash Waiver will only apply to the conversion of such number of Conversion Shares and/or Interest Shares that, when added to the acquisition of new Shares pursuant to the Plato ESOS 2016 and/or the Plato PSP 2016, do not exceed the total number of Conversion Shares and/or Interest Shares originally approved by the Shareholders in respect of the Whitewash Resolution;
- (2) notwithstanding the Condition, Mr LKO is free to purchase any number of existing Shares after he holds over 49% of the voting rights of the Company as a result of the acquisition of Conversion Shares and/or Interest Shares on the terms of the RCULS and the acquisition of new Shares pursuant to the Plato ESOS 2016 and/or the Plato PSP 2016. However, if Mr LKO’s interest in the Company subsequently falls below 49% for any reason following such purchase, he will not be able to rely on the Whitewash Waiver for any further acquisition of Shares that triggers an obligation to make a general offer under Rule 14 of the Code; and
- (3) the inclusion of the Nomination Provision in the terms of the Proposed RCULS Issue will not affect the rulings given by the SIC in the First SIC Letter or in the Second SIC Letter. However, the SIC should be consulted in advance on the validity of the Whitewash Waiver if:
 - (i) the Nomination Provision will be exercised in favour of persons other than Mr LKO, Mr LKO and his wife jointly, and/or a company that is wholly-owned and controlled by Mr LKO; or
 - (ii) the exercise of the Nomination Provision will result in a significant change in the nature of Mr LKO’s concert party group.

6.3. The Proposed Whitewash Resolution

Independent Shareholders are requested to vote by way of a poll, on the Proposed Whitewash Resolution, set out as Ordinary Resolution 3 in the Notice of EGM, waiving their rights to receive a mandatory general

offer from Mr LKO for the remaining Shares not already owned or controlled by him and his concert parties.

SHAREHOLDERS SHOULD NOTE THAT:

- (a) THE ACQUISITION OF THE CONVERSION SHARES AND/OR THE INTEREST SHARES BY THE RELEVANT PARTIES PURSUANT TO THE TERMS OF THE RCULS COULD RESULT IN MR LKO HOLDING SHARES CARRYING OVER 49% OF THE VOTING RIGHTS OF THE COMPANY BASED ON ITS ENLARGED ISSUED SHARE CAPITAL, AND MR LKO WILL AS A RESULT BE FREE TO ACQUIRE FURTHER SHARES WITHOUT INCURRING ANY OBLIGATION UNDER RULE 14 OF THE CODE TO MAKE A GENERAL OFFER;
- (b) SHAREHOLDERS, BY VOTING FOR THE PROPOSED WHITEWASH RESOLUTION, ARE WAIVING THEIR RIGHTS TO A GENERAL OFFER FROM MR LKO AT THE HIGHEST PRICE PAID BY THE RELEVANT PARTIES FOR THE SHARES IN THE PAST SIX (6) MONTHS PRECEDING THE COMMENCEMENT OF THE OFFER;
- (c) SHAREHOLDERS, BY VOTING FOR THE PROPOSED WHITEWASH RESOLUTION, COULD BE FORGOING THE OPPORTUNITY TO RECEIVE A GENERAL OFFER FROM ANOTHER PERSON WHO MAY BE DISCOURAGED FROM MAKING A GENERAL OFFER IN VIEW OF THE POTENTIAL DILUTION EFFECT OF THE RCULS TO BE ISSUED; AND
- (d) THE PROPOSED ACQUISITION AND THE PROPOSED RCULS ISSUE ARE CONDITIONAL UPON THEM VOTING IN FAVOUR OF THE PROPOSED WHITEWASH RESOLUTION. IN VIEW OF THIS, IN THE EVENT THAT THE PROPOSED WHITEWASH RESOLUTION IS NOT PASSED BY THE INDEPENDENT SHAREHOLDERS, THE PROPOSED ACQUISITION AND THE PROPOSED RCULS ISSUE WOULD NOT TAKE PLACE.

Shareholders should note further that:

- (1) the Proposed Acquisition (Ordinary Resolution 1) is subject to and contingent upon the passing of the Proposed RCULS Issue being approved by the Shareholders (excluding Mr LKO and his Associates (including the Controlling Shareholder Concert Group)); and
- (2) the Proposed RCULS Issue (Ordinary Resolution 2) is subject to and contingent upon the passing of the Proposed Whitewash Resolution being approved by the Independent Shareholders.

6.4. Opinion and Advice of the IFA

SAC Capital Private Limited has been appointed to advise the Independent Directors in respect of the Proposed Whitewash Resolution. Having taken into consideration the factors set out in the IFA Letter, and subject to the assumptions and qualifications set out in the IFA Letter, the IFA is of the opinion that the financial terms of the RCULS is, on balance, fair and reasonable, and the Proposed Whitewash Resolution (in respect of the Proposed RCULS Issue) is not prejudicial to the interests of the Independent Shareholders.

Accordingly, the IFA has advised the Independent Directors to recommend that the Independent Shareholders vote in favour of the Proposed Whitewash Resolution. A copy of the IFA Letter, containing in full the opinion and advice of the IFA, is set out in [Appendix 2](#) to this Circular. Shareholders are advised to read the letter carefully before proceeding to vote on the Proposed Whitewash Resolution at the EGM.

7. PROPOSED ADOPTION OF THE PLATO ESOS 2016

- 7.1. The Board is proposing to implement a new employee share option scheme to be named the "Plato Employee Share Option Scheme 2016" ("**Plato ESOS 2016**").

The following is a summary of some of the salient terms of the Plato ESOS 2016. The summary in this section 7 of this Circular does not purport to be complete and is qualified in its entirety by reference to the detailed information in the rules of the Plato ESOS 2016, a copy of which is set out in [Appendix 3](#) to this Circular. Shareholders should refer to the actual rules of the Plato ESOS 2016.

7.2. Objectives of the Plato ESOS 2016

The purpose of the Plato ESOS 2016 is to provide an opportunity for Directors (including Group Non-Executive Directors and independent Directors) and Employees of the Group to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to those who have contributed significantly to the growth and performance of the Group. The Company believes that aside from the Plato PSP 2016, an additional share-based compensation scheme will strengthen the overall effectiveness of its performance-based compensation schemes in rewarding the Employees, Group Executive Directors and Group Non-Executive Directors and incentivising them to achieve higher performance targets and strive for the long-term prosperity of the Group.

The Plato ESOS 2016 is proposed on the basis that it is important to recognise the fact that the services of the Employees, Group Executive Directors and Group Non-Executive Directors are important to the success and continued well-being of the Group. The implementation of the Plato ESOS 2016 will enable the Company to give the Employees, Group Executive Directors and Group Non-Executive Directors a direct interest in the Company, and will also help to achieve the following positive objectives:

- (i) the motivation of participants to optimise performance standards and efficiency and to maintain a high level of contribution;
- (ii) the retention of key Employees whose contributions are important to the long term growth and prosperity of the Group;
- (iii) the attainment of harmonious employer/employee relations;
- (iv) to align the interest of Employees and other participants with the interests of the Shareholders; and
- (v) the development of a participatory style of management which promotes greater commitment and dedication amongst the Employees and instils loyalty and a stronger sense of identification with the long term prosperity of the Group.

7.3. Eligibility

Employees, Group Executive Directors and Group Non-Executive Directors (including independent Directors) who have attained the age of 21 years on or before the date on which an Option is granted (“**Offering Date**”) are eligible to participate in the Plato ESOS 2016. The participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

Persons who are Controlling Shareholders or Associates of Controlling Shareholders who meet the criteria above are also eligible to participate in the Plato ESOS 2016 provided that the participation of and the actual number of Shares to be issued to them and the terms of any Option to be granted to each Controlling Shareholder or Associate of Controlling Shareholder shall be approved by independent Shareholders of the Company in separate resolutions for each such person subject to the following:

- (i) the aggregate number of Shares which may be offered by way of grant of Options to participants who are Controlling Shareholders or Associates of Controlling Shareholders under the Plato ESOS 2016 shall not exceed 25% of the total number of Shares available under this Plato ESOS 2016; and

- (ii) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under the Plato ESOS 2016.

7.4. Size of the Plato ESOS 2016

The aggregate number of Shares which the Committee may grant in respect of any Options on any date, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all Options granted under this Plato ESOS 2016; and (ii) all Shares issued and issuable and/or transferred or transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company for the time being in force, including the Awards granted under the Plato PSP 2016, shall not exceed 15% of the issued share capital (excluding treasury shares) of the Company on the date preceding the grant of an Option.

The 15% Plato ESOS 2016 size (which shall take into consideration any Shares proposed to be awarded pursuant to the Plato PSP 2016) is intended to accommodate the potential pool of participants arising from the base of eligible participants. The Company also hopes that with the significant portion of the issued share capital set aside for the Plato ESOS 2016, the Employees, Group Executive Directors and Group Non-Executive Directors will recognise that the Company is making an effort to reward them for their invaluable contributions to the Group by allowing them greater opportunities to participate in the Company's equity.

The Company is of the view that the size of the Plato ESOS 2016 is reasonable, taking into account the share capital base of the Company, the contributions by the Employees, Group Executive Directors and Group Non-Executive Directors and the potential number of Employees, Group Executive Directors and Group Non-Executive Directors as the business expands. Implementing the Plato ESOS 2016 with the maximum amount of Shares not exceeding 15% (including the Shares available under the Plato PSP 2016) of the total issued share capital (excluding treasury shares) of the Company will enable the Group to maintain flexibility and remain competitive in the industry.

7.5. Entitlement of Participants to Options

Subject to the size of the Plato ESOS 2016 as described above and any requirements of the SGX-ST, the aggregate number of Shares in respect of which Options may be offered for subscription or purchase shall be determined at the discretion of the Committee which will take into consideration criteria such as rank, past performance, years of service and potential for future development of the participant provided that the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under the Plato ESOS 2016.

7.6. Grant of Options

The Committee may grant Options at any time during the period when the Plato ESOS 2016 is in force. However, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, the Committee may only grant Options on or after the second Market Day from the date on which the announcement is released.

7.7. Acceptance of Options

Options granted to the Employees, Group Executive Directors and Group Non-Executive Directors shall not be transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part save as provided for in the rules of the Plato ESOS 2016. All offers made to the Employees, Group Executive Directors and Group Non-Executive Directors, if not accepted by the closing date (which shall not be less than 15 days and not more than 30 days from the date of the offer) shall automatically lapse and shall be null and void and of no effect. Upon acceptance of the offer, the participant must pay to the Company a consideration of S\$1.00.

7.8. Exercise of Options

Except as provided in the rules of the Plato ESOS 2016, each Option shall be exercisable, in whole or in part, as follows:

- (i) in the case of a Market Price Option, during the period commencing after the first anniversary of the Offering Date and expiring on the tenth anniversary of such Offering Date, provided that in the case of a Market Price Option which is granted to a participant not holding a salaried office or employment in the Group, such Option Period shall expire on the fifth anniversary of such Offering Date; and
- (ii) in the case of an Incentive Option, during the period commencing after the second anniversary of the Offering Date and expiring on the tenth anniversary off such Offering Date, provided that in the case of an Incentive Option which is granted to a participant not holding a salaried office or employment in the Group, such Option Period shall expire on the fifth anniversary of the Offering Date.

In the event of an Option being exercised in part only, the balance of the Option not thereby exercised shall continue to be exercisable in accordance with the Plato ESOS 2016 until such time as it shall lapse in accordance with the rules of the Plato ESOS 2016.

7.9. Exercise Price

Subject to any adjustment required pursuant to the rules of the Plato ESOS 2016, the Exercise Price for each Share in respect of which a Market Price Option is exercisable shall be determined by the Committee, in their absolute discretion, and fixed by the Committee at a price (the “**Market Price**”) equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the five (5) consecutive Trading Days immediately preceding the Offering Date of that Option, rounded up to the nearest whole cent in the event of fractional prices provided in the case of a Market Price Option that is proposed to be granted to a Controlling Shareholder or an Associate of a Controlling Shareholder, the Exercise Price for each Share shall be equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST, for the five (5) consecutive Trading Days immediately preceding the latest practicable date prior to the date of any circular, letter or notice to the Shareholders proposing to seek their approval of the grant of such Options to such Controlling Shareholder or Associate of a Controlling Shareholder.

Subject to any adjustment required pursuant to the rules of the Plato ESOS 2016, the Committee may also grant Incentive Options to the participants provided that the maximum discount shall not exceed 20% of the Market Price (or such other percentage or amount as may be prescribed or permitted for the time being by the SGX-ST).

Incentive Options will only be granted to deserving Employees, Group Executive Directors and Group Non-Executive Directors whose performance has been consistently good and/or whose future contributions to the Group will be invaluable. The ability to offer Incentive Options at exercise prices up to 20% discount to the Market Price will operate as a means to recognise the performance of participants as well as to motivate them to continue to excel while encouraging them to focus on improving the profitability and returns of the Group to a level that benefits all Shareholders when these are eventually reflected through an appreciation of the Share price. Incentive Options would be perceived in a more positive light by the participants, inspiring them to work hard and produce results in order to be granted Incentive Options as only Employees, Group Executive Directors and Group Non-Executive Directors who have made outstanding contributions to the success and development of the Group will be offered Incentive Options.

In determining which participant should be granted Incentive Options and the quantum of the discount, the Committee shall be at liberty to take into consideration such criteria as they deem fit, including factors such as (i) the performance of the Group, taking into account financial considerations such as the Group’s sales/revenue, profit and performance targets, (ii) the individual performance of the participant, his

effectiveness and contribution to the success and development of the Group and (iii) the potential for future contribution by the participant to the success and development of the Group.

In addition, it is envisaged that the Company may consider granting Incentive Options at up to 20% discount to the Market Price under circumstances including, but not limited to, the following:

- (i) to enable the Group to offer competitive remuneration packages in the event that the practice of granting options with exercise prices that have a discount element becomes a general market norm. As share options become more significant components of executive remuneration packages, a discretion to grant options with discounted prices will provide the Group with a means to maintain the competitiveness of the Group's compensation strategy; and/or
- (ii) where the Group needs to provide more compelling motivation for specific business units to improve their performance, grants of share options with discounted exercise prices will help to align the interest of Employees to those of Shareholders by encouraging them to focus more on profitability and returns of the Group above a certain level that will benefit all Shareholders when these are eventually reflected through an appreciation of the Share price, as such options granted at a discount would be perceived more positively by the Employees who receive such options.

The Committee will determine on a case-by-case basis whether a discount will be given, and the quantum of the discount, taking into consideration the objective that is desired to be achieved by the Group and the prevailing market conditions. As the actual discount given will depend on the relevant circumstances, the extent of the discount may vary from one case to another, subject to a maximum discount of 20% of the Market Price of an Option Share, as described above.

7.10. Lapse of Options

An Option shall, to the extent that it is unexercised, lapse:

- (i) 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 Option;
- (ii) in the event of misconduct on the part of the participant, as determined by the Committee in its absolute discretion;
- (iii) subject as provided below, in the event a participant being an Employee ceases to be in the employment of the Group as an Employee, or if a participant being a Group Executive Director or Group Non-Executive Director, ceases to be such a director; or
- (iv) in the event that the Committee shall, at its sole and absolute discretion, deem it appropriate that such Option granted to a participant shall so lapse on the grounds that any of the objectives of the Plato ESOS 2016 have not been met.

In the event a participant being an Employee ceases to be in the employment of the Group, or if a participant being a Group Executive Director or Group Non-Executive Director, ceases to be a director, such Participant may, unless the Committee determines otherwise, exercise such Options which have vested on or prior to the effective date of cessation within 14 days of the effective date of cessation, failing which, such Options shall automatically lapse.

If a participant dies and at the date of his death holds any vested Options, such Options may, at the absolute discretion of the Committee, be fully exercisable by the duly appointed legal personal representatives of the participant from the date of his death to the end of the relevant Option period and upon the expiry of such period, the Option shall automatically lapse.

Special provisions for the exercise and lapsing of Options apply in the event of a takeover, winding-up or reconstruction of the Company, and cessation of employment or appointment of participants within the

Group by reason of the company in which he is employed or appointed ceasing to be a company within the Group due to, due to, *inter alia*, divestment of such company.

7.11. **Rights of Shares comprised in the Options**

New Shares issued and allotted or existing Shares transferred upon the exercise of the Option shall be subject to all provisions of the Constitution and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights, allotments or other distributions, the record date of which is prior to the date of which such an Option is exercised. For this purpose, "record date" means the date as at the close of business on which Shareholders must be registered in order to participate in any dividend, rights, allotments or other distributions, as the case may be.

7.12. **Duration of the Plato ESOS 2016**

The Plato ESOS 2016 shall continue in operation for a maximum duration of five (5) years commencing from the date on which the Plato ESOS 2016 was adopted by the Company in general meeting. However, the Plato ESOS 2016 may continue beyond the period above with the approval of the Shareholders at a general meeting by way of ordinary resolution and the relevant authorities.

The Plato ESOS 2016 may also be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Plato ESOS 2016 is so terminated, no further Options shall be offered by the Company thereunder.

The termination, discontinuance or expiry of the Plato ESOS 2016 shall be without prejudice to the rights accrued to Options which have been granted and accepted, whether such Options have been exercised (whether fully or partially) or not.

7.13. **Alteration of Capital**

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

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

shall, at the option of the Committee, be adjusted in such manner as it may determine to be appropriate provided that, except in relation to the capitalisation issue, a written confirmation is given by the Auditors (acting only as experts and not as arbitrators) that such adjustment is fair and reasonable, and that no adjustment shall be made if as a result, the participant receives a benefit that a Shareholder does not receive.

The issue of securities as consideration for an acquisition of any assets or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on Catalist during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment, unless the Committee considers an adjustment to be appropriate.

Upon any such adjustment being made, the Company shall notify the participant in writing informing him of the Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in

the Option so far as unexercised and the maximum entitlement in any one financial year. Any adjustment shall take effect upon such written notification being given.

7.14. **Modifications or alterations to the Plato ESOS 2016**

The Plato ESOS 2016 may be modified and/or altered from time to time by a resolution of the Committee, subject to, *inter alia*, compliance with the Catalist Rules and the prior approval of SGX-ST and such other regulatory authorities as may be necessary.

No alteration shall be made to the rules of the Plato ESOS 2016 to the advantage of the participants except with the prior approval of Shareholders at a general meeting.

7.15. **Administration**

The Plato ESOS 2016 will be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board provided that no member of the Committee shall participate in any deliberation or decision in respect of Options granted or to be granted to him.

7.16. **Proposed Adoption of the Plato ESOS 2016**

Ordinary Resolution 4 relates to the proposed adoption of the Plato ESOS 2016 to be approved by Shareholders at the EGM.

8. **PROPOSED ADOPTION OF THE PLATO PSP 2016**

8.1. The Board is proposing to implement a new employee share scheme to be named the “Plato Performance Share Plan 2016” (“**Plato PSP 2016**”).

The following is a summary of some of the salient terms of the Plato PSP 2016. The summary in this section 8 of this Circular does not purport to be complete and is qualified in its entirety by reference to the more detailed information in the rules of the Plato PSP 2016, a copy of which is set out in [Appendix 4](#) to this Circular. Shareholders should refer to the actual rules of the Plato PSP 2016.

8.2. **Objectives Of the Plato PSP 2016**

The objectives of the Plato PSP 2016 are to:

- (i) foster a culture of ownership within the Group which aligns the interests of the Employees and Group Executive Directors and Group Non-Executive Directors with the interests of Shareholders;
- (ii) motivate participants to achieve key financial and operational goals of the Group and/or its respective business units and encourage greater dedication and loyalty to the Group; and
- (iii) make total Employee, Group Executive Directors and Group Non-Executive Directors remuneration sufficiently competitive to recruit new participants and/or retain existing participants whose contributions are important to the long term growth and profitability of the Group.

8.3. **The Plato PSP 2016**

Awards granted under the Plato PSP 2016 will principally be performance-based, incorporating an element of stretched targets for senior executives and significantly stretched targets for key management personnel, aimed at delivering long-term Shareholder value. Examples of performance targets to be set include targets based on criteria such as sales growth, earnings per share and return on investment.

The Plato PSP 2016 uses methods fairly common among major local and multinational companies to incentivise and motivate senior executives and key management personnel to achieve pre-determined targets, which the Company believes will create and enhance economic value for Shareholders. The Company believes that the Plato PSP 2016 will be an effective tool in motivating senior executives and key management personnel to work towards stretched targets.

The Plato PSP 2016 contemplates the award of fully-paid Shares free of charge, when and after pre-determined performance or service conditions are accomplished.

A participant's Award under the Plato PSP 2016 will be determined at the sole discretion of the Committee. In considering the grant of an Award to a participant, the Committee may take into account, amongst others, the participant's capability, creativity, entrepreneurship, innovativeness, scope of responsibility and skill set.

Awards granted under the Plato PSP 2016 will be performance-based, with performance targets to be set over a designated performance period. Performance targets set are intended to be premised on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. Such Performance Conditions will be set according to the specific roles of each participant, and may differ from participant to participant.

Under the Plato PSP 2016, participants are encouraged to continue serving the Group beyond the deadline for the achievement of the pre-determined performance targets. The Committee has the discretion to impose a further vesting period after the performance period to encourage the participants to continue serving the Group.

8.4. Eligibility

Employees, Group Executive Directors and Group Non-Executive Directors (including independent Directors) of the Group who have attained the age of 21 years as of the Award Date are eligible to participate in the Plato PSP 2016. The participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

Persons who are Controlling Shareholders or Associates of a Controlling Shareholder who meet the criteria above are also eligible to participate in the Plato PSP 2016 provided that the participation of and the terms of each grant and the actual number of Awards granted under the Plato PSP 2016 to a participant who is a Controlling Shareholder or an Associate of a Controlling Shareholder shall be approved by independent Shareholders of the Company in separate resolutions for each such person subject to the following:

- (i) the aggregate number of Shares comprised in Awards granted to Controlling Shareholders or Associates of Controlling Shareholders under the Plato PSP 2016 shall not exceed 25% of the total number of Shares available under the Plato PSP 2016; and
- (ii) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under the Plato PSP 2016.

8.5. Awards

Awards represent the right of a participant to receive fully-paid Shares free-of-charge, provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period.

An Award or Released Award shall not, prior to the allotment and/or transfer to the participant of the Shares to which the Released Award relates, be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award, that Award or Released Award shall immediately lapse.

Shares which are issued and allotted or transferred to a participant pursuant to the grant of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during a specified period (as prescribed by the Committee in the Award letter), except to the extent approved by the Committee.

The Committee may, in its absolute discretion, make a Release of an Award, wholly or partly, in the form of cash rather than Shares.

8.6. **Participants**

The selection of a participant and the number of Shares (which are the subject of each Award) to be granted to a participant in accordance with the Plato PSP 2016 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 and development of the Group and, if applicable, the extent of effort and resourcefulness required to achieve the performance target(s) within the Performance Period.

8.7. **Details of Awards**

The Committee shall decide, in relation to an Award:

- (i) the participant;
- (ii) the Award Date;
- (iii) the Performance Period;
- (iv) the number of Shares which are the subject of the Award;
- (v) the Performance Condition;
- (vi) the Release Schedule; and
- (vii) any other condition(s) which the Committee may determine in relation to that Award.

8.8. **Timing**

Awards may be granted at any time during the period when the Plato PSP 2016 is in force. An Award Letter confirming the Award and specifying, amongst others, the Award Date, the Performance Condition(s), the number of Shares which are the subject of the Award, the Performance Period and the Release Schedule setting out the extent to which Shares will be released on satisfaction of the prescribed performance target(s), will be sent to each participant as soon as is reasonably practicable after the granting of an Award.

8.9. **Events Prior to Vesting**

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

- (a) misconduct on the part of a participant as determined by the Committee in its discretion;
- (b) an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency;

- (c) subject to (e) below, in the event a participant being an Employee ceases to be in the employment of the Group as a full time employee, or if a participant being a Group Executive Director or Group Non-Executive Director, ceases to be such a director;
- (d) the bankruptcy of a participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of the Award;
- (e) in the event a participant being an Employee ceases to be in the employment of the Group as a Employee, or if a participant being a Group Executive Director or Group Non-Executive Director, ceases to be such a director by reason of;
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group;
 - (vi) (where applicable) his transfer of employment between companies within the Group; or
 - (vii) any other event approved by the Committee;
- (f) the death of a participant;
- (g) any other event approved by the Committee; or
- (h) a take-over, reconstruction or amalgamation of the Company or an order being made or a resolution passed for the winding-up of the Company (other than as provided in paragraph (b) above or for reconstruction or amalgamation).

Upon the occurrence of any of the events specified in paragraphs (a) to (c), an Award then held by a participant shall, subject as provided in the Rules of the Plato PSP 2016 and to the extent not yet Released, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in paragraphs (d) to (g) above, the Committee may, in its absolute discretion, subject to any legal or regulatory requirements, preserve all or any part of any Award and decide either to Release and Vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period. 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, in the case of performance-related Awards, the extent to which the applicable Performance Conditions have been satisfied.

Upon the occurrence of the event specified in paragraph (h) above, Shares which are the subject of any Award shall be Released and Vested if the participant meets the relevant Performance Conditions within certain prescribed periods. Notwithstanding the foregoing, the Committee will consider, at its absolute discretion, whether or not to cancel any Award or Release and Vest some or all of the Shares which are the subject of any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that participant or arrangements made for the compensation of participants, whether by payment of cash or any other form of benefit. If the Committee decides to Release any Award, then in determining the number of Shares to be vested in respect of such Award, the

Committee will have regard to the proportion of the Performance Period which has lapsed and the extent to which the applicable Performance Conditions have been satisfied.

8.10. **Size and Duration of the Plato PSP 2016**

The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Plato PSP 2016, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all Awards granted thereunder; and (ii) all Shares issued and issuable and/or transferred or transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company for the time being in force, including the Options granted under the Plato ESOS 2016, shall not exceed 15% of the issued share capital (excluding treasury shares) of the Company on the day preceding the relevant date of the Award.

In addition, the number of Shares available to Controlling Shareholders or Associates of a Controlling Shareholder are subject to the limits set out in section 8.4 above.

The Plato PSP 2016 shall continue in force at the discretion of the Committee, subject to a maximum period of five (5) years commencing on the date on which the Plato PSP 2016 is adopted by the Company in general meeting, provided always that the Plato PSP 2016 may continue beyond the above stipulated period with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the Plato PSP 2016, any Awards made to participants prior to such expiry or termination will continue to remain valid.

8.11. **Operation of the Plato PSP 2016**

Subject to the prevailing legislation, the Company may deliver Shares to participants upon Vesting of their Released Awards by way of an issue of new Shares deemed to be fully paid upon their issuance and allotment and/or by way of the transfer of treasury shares (by way of purchasing existing Shares from the market for delivery to participants pursuant to the Act).

In determining whether to issue new Shares to participants or to purchase existing Shares upon Vesting of their Released Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

Additionally, the Company has the flexibility, and if circumstances require, to approve the Release of an Award, wholly or partly, in the form of cash rather than Shares. In determining whether to Release an Award, wholly or partly, in the form of cash rather than Shares, the Company will take into account factors such as (but not limited to) the cost to the Company of Releasing an Award, wholly or partly, in the form of cash rather than Shares.

New Shares issued and allotted, and existing shares procured by the Company for transfer, on the Release of an Award shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant date of issue or, as the case may be, delivery, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

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

8.12. Adjustments and Alterations under the Plato PSP 2016

(a) Adjustment Events

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

- (i) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (ii) the class and/or number of Shares over which future Awards may be granted under the Plato PSP 2016,

shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the participant receives a benefit that a Shareholder does not receive.

The issue of securities as consideration for an acquisition or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment, unless the Committee considers an adjustment to be appropriate.

Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

(b) Modifications or Alterations to the Plato PSP 2016

The Plato PSP 2016 may be modified and/or altered from time to time by a resolution of the Committee subject to, *inter alia*, the compliance with the Catalist Rules and the prior approval of the Shareholders and the SGX-ST and such other regulatory authorities as may be necessary.

No alteration shall be made to the rules of the Plato PSP 2016 to the advantage of the participants except with the prior approval of Shareholders in general meeting.

8.13. Administration

The Committee responsible for the administration of the Plato PSP 2016 will comprise such Directors duly authorised and appointed by the Board of Directors to administer the Plato PSP 2016, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

8.14. Proposed Adoption of the Plato PSP 2016

Ordinary Resolution 5 relates to the proposed adoption of the Plato PSP 2016 to be approved by Shareholders at the EGM.

9. RATIONALE FOR THE PROPOSED ADOPTION OF THE PLATO ESOS 2016 AND THE PLATO PSP 2016

- 9.1. The Board recognises that the continued services and contributions of talented, qualified and experienced staff are crucial and essential for the stability and growth of the Group. By implementing the Plato ESOS 2016 and the Plato PSP 2016 (collectively, the “Share Plans”), the Board hopes to inculcate in all participants, who meet the eligibility criteria and who have contributed to the growth and development of the Group, a stronger and more lasting sense of identification with and loyalty to the Group through

personal equity participation. The Share Plans will also improve the Group's flexibility, effectiveness and competitiveness in its continuing efforts to reward, retain and motivate participants to achieve increased performance for the Group's long-term success and progress, as it rewards positive achievements and contributions made.

- 9.2. It is envisaged that when implemented, the Share Plans will achieve the following positive objectives:
- (i) the motivation of participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;
 - (ii) the retention of key executives and executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;
 - (iii) to instil loyalty to, and a stronger identification by Employees with the long-term prosperity of, the Group;
 - (iv) to attract potential Employees with relevant skills to contribute to the Group and to create value for Shareholders; and
 - (v) to align the interests of Employees with the interests of the Shareholders.
- 9.3. The Share Plans are both essentially share incentive plans. The purpose of adopting more than one share plan is to give the Company greater flexibility to design appropriate incentive packages. It is intended that the Share Plans will complement each other as tools to reward, retain and motivate the participants whose services and contributions are vital to the well-being and success of the Group.
- 9.4. **The Plato PSP 2016 differs from the Plato ESOS 2016 in that Awards granted under the Plato PSP 2016 represent the right of a participant to receive fully paid Shares (or their equivalent cash value), free of charge, provided that certain Performance Conditions are met. For Options granted under the Plato ESOS 2016, however, the holder of Option is required to pay the Exercise Price for the Shares arising upon the exercise of the Option.**
- 9.5. While the Plato ESOS 2016 is designed to provide its participants with an opportunity to participate in the equity of the Company through share options which they may exercise to subscribe for and/or acquire Shares upon payment of the Exercise Price, the Plato PSP 2016 is designed instead to reward participants by the award of Shares, which are given free of charge to the participants of the Plato PSP 2016, through the Vesting of such Released Awards according to the extent to which their performance targets are achieved at the end of a specified performance period. The duration of each Performance Period will serve to align more closely the participants' performance goals with the corresponding performance cycle of the Company, and the strategies and objectives for the Group over the short to medium term.
- 9.6. The Plato PSP 2016 thus seeks to focus participants on the short to medium term critical performance targets of the Group, to develop a reward-for-performance culture in the Group, and to encourage participants to continuously improve their performance. As the actual number of Shares which the participant will receive under the Plato PSP 2016 will depend ultimately on the extent to which he satisfies the Performance Condition(s) set for each Performance Period, this creates a strong incentive for the participant to focus on assigned tasks and to excel.
- 9.7. Under the Plato ESOS 2016, Options may be granted across the board to all Employees, taking into account broad-based criteria. The Plato PSP 2016, on the other hand, is principally targeted at more senior Employees, and is intended to complement the Plato ESOS 2016 in relation to such categories of participants. The operation of both the Plato ESOS 2016 and the Plato PSP 2016 in tandem will allow the Company and the Group to blend and package the Options and Awards as part of a comprehensive incentive and reward system for more senior Employees.
- 9.8. When deciding on the number of Shares to be granted or awarded (as the case may be) to a participant at any one point in time under any share scheme, the Committee will also take into consideration the

number of Shares to be granted or awarded (as the case may be) to that participant under the other share scheme at that time, if any.

10. PROPOSED PARTICIPATION OF GROUP EXECUTIVE DIRECTORS AND GROUP NON-EXECUTIVE DIRECTORS IN THE PLATO ESOS 2016 AND THE PLATO PSP 2016

10.1. Proposed Participation of Group Executive Directors

The extension of the Share Plans to Group Executive Directors allows the Group to have a fair and equitable system to reward Group Executive Directors who have made and who continue to make significant contributions to the long-term growth of the Group and to inculcate in participants a stronger and more lasting sense of identification with the Group.

The Company believes that the Share Plans will also enable the Group to attract, retain and provide incentives to its participants to optimise their standards of performance as well as encourage greater dedication and loyalty by enabling the Company to give recognition to past contributions and services as well as motivating participants generally to contribute towards the long-term growth of the Group.

10.2. Proposed Participation of Group Non-Executive Directors

The extension of the Share Plans to the Group Non-Executive Directors allows the Group to have a fair and equitable system that recognises and benefits not only persons who are in the direct employment of the Group but also persons who are not employed but nevertheless work closely with the Group and/or are in the position to contribute their experience, knowledge and expertise to the development and success of the Group.

Although the Group Non-Executive Directors are not involved in the day-to-day running of the Group, they are nonetheless in a position to provide valuable support, input and business contacts and to contribute their experience, knowledge and expertise, and/or to provide the Group with strategic business alliances and opportunities. The Group Non-Executive Directors are individuals from various disciplines with different working experiences and backgrounds which the Group may tap for assistance in furthering business objectives and shaping business strategies. It is desirable that the Group Non-Executive Directors be allowed to participate in the Share Plans to give recognition to their services and contributions.

For the purpose of assessing the contributions of the Group Non-Executive Directors, the Committee will propose a performance framework comprising mainly non-financial performance measurement criteria such as the extent of involvement and responsibilities shouldered by the Group Non-Executive Directors. In addition, the Committee will also consider the scope of advice given, the number of contacts and size of deals which the Group is able to procure from the contacts and recommendations of the Group Non-Executive Directors.

The Company envisages that the bulk of the Options or Awards will be granted to the Employees. Group Non-Executive Directors will be granted the Options or Awards at the discretion of the Committee. The Committee may also decide that no Options or Awards shall be granted in any financial year.

The Company does not expect that the grant of Options or Awards to the Group Non-Executive Directors, some of whom may also be members of the Audit Committee, will compromise their independence, as the total number of Shares issued pursuant to Options or Awards granted to the Group Non-Executive Directors will not be significant.

The Committee may in future grant Options or Awards to other Group Non-Executive Directors who may be appointed from time to time. The ability to do so will ensure that the Group will be able to continue to attract onto the boards persons of significant ability and aptitude.

11. PROPOSED PARTICIPATION OF AND PROPOSED GRANT OF OPTIONS AND AWARDS TO THE CONTROLLING SHAREHOLDERS AND ASSOCIATES OF THE CONTROLLING SHAREHOLDERS IN THE PLATO ESOS 2016 AND THE PLATO PSP 2016

11.1. Rationale and Justification for Participation

The purpose for the participation of Employees who are Controlling Shareholders or Associates of Controlling Shareholders in the Share Plans is to provide an opportunity for eligible Employees, Group Executive Directors and Group Non-Executive Directors who have contributed or continue to contribute significantly to the growth and performance of the Group to participate in the equity of the Company.

The Company's acknowledge that the services and contributions of the eligible Employees, Group Executive Directors and Group Non-Executive Directors who are Controlling Shareholders or Associates of Controlling Shareholders are important to the development and success of the Group. The extension of the Share Plans to the eligible Employees, Group Executive Directors and Group Non-Executive Directors who are Controlling Shareholders or Associates of Controlling Shareholders allows the Group to have a fair and equitable system for rewarding such Employees, Group Executive Directors and Group Non-Executive Directors who have made and continue to make important contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholders or Associates of Controlling Shareholders.

Although participants who are Controlling Shareholders or Associates of Controlling Shareholders may already have shareholding interests in the Company, the extension of the Share Plans to encompass them ensures that they are equally entitled, together with other eligible Employees, Group Executive Directors and Group Non-Executive Directors of the Group who are not Controlling Shareholders or Associates of the Controlling Shareholders, to take part and benefit from this system of remuneration. The Company is of the view that a person who would otherwise be eligible should not be excluded from participating in the Share Plans solely by reason that he/she is a Controlling Shareholder or an Associate of a Controlling Shareholder.

11.2. Safeguards

As a safeguard against abuse, only members of the Committee who are not the Controlling Shareholders or Associates of such Controlling Shareholders will be involved in deliberations in respect of the Options or Awards to be granted to or held by the Controlling Shareholders or Associates of Controlling Shareholders and the terms and conditions attached to such Options or Awards.

The specific approval of independent Shareholders of the Company is required for the participation of and the grant of Options or Awards to such persons as well as the actual number of and terms of such Options or Awards. A separate resolution must be passed for each such participant. In seeking such approval from independent Shareholders of the Company, clear justification as to the participation of Controlling Shareholders or Associates of Controlling Shareholders, the number of Shares comprised in, and terms (including the exercise price) of, the Options or Awards to be granted to Controlling Shareholders or Associates of Controlling Shareholders shall be provided.

Accordingly, the Company is of the view that there are sufficient safeguards against abuse resulting from the participation of the Controlling Shareholders or the Associates of Controlling Shareholders in the Share Plans.

Ordinary Resolutions 6, 7 and 8 relate to the proposed participation of Mr LKO, a Controlling Shareholder, and Mr GL and Ms LKF, Associates of a Controlling Shareholder, in the Plato ESOS 2016.

The proposed participation of Mr LKO, Mr GL and Ms LKF in the Plato ESOS 2016 (Ordinary Resolutions 6, 7 and 8 respectively) is subject to and contingent upon the passing of Ordinary Resolution 4, being the resolution relating to the proposed adoption of the Plato ESOS 2016.

Ordinary Resolutions 9, 10 and 11 relate to the proposed participation of Mr LKO, a Controlling Shareholder, and Mr GL and MS LKF, Associates of a Controlling Shareholder, in the Plato PSP 2016.

The proposed participation of Mr LKO, Mr GL and Ms LKF in the Plato PSP 2016 (Ordinary Resolutions 9, 10 and 11 respectively) is subject to and contingent upon the passing of Ordinary Resolution 5, being the resolution relating to the proposed adoption of the Plato PSP 2016.

11.3. **Rationale for the proposed participation of, and grant of Options and Awards to, Mr LKO, a Controlling Shareholder of the Company and Mr GL and Ms LKF, Associates of Mr LKO the Controlling Shareholder, in the Plato ESOS 2016 and the Plato PSP 2016**

The Company proposes to grant Options and Awards to the following persons:

- (i) Mr LKO, a Controlling Shareholder of the Company;
- (ii) Mr GL, an Associate of Mr LKO, a Controlling Shareholder of the Company; and
- (iii) Ms LKF, an Associate of Mr LKO, a Controlling Shareholder of the Company,

(collectively, the “**Recipients**”)

In respect of the grant of Awards to the Recipients, the Recipients will be subject to Performance Conditions which are stretched targets aimed at sustaining long-term growth. These targets will be tied in with the Group’s corporate key performance indicators. The Performance Conditions for the Recipients will be based on, among others, (a) the Group’s net profits and (b) various qualitative non-financial Performance Conditions. The Recipients will be treated equally as all other deserving and eligible participants who are entitled to take part in and benefit from what the Committee believes is a fair and equitable system of remuneration.

The rationale for the proposed participation of, and grant of Options and Awards to each of the Recipients are set out below:

(a) **Mr LKO**

Mr LKO is the Chairman since 1999 and a Non-Independent Non-Executive Director of the Company. Mr LKO was responsible for the Group’s diversification away from IT services and for the identification and successful execution of many of the opportunistic transactions that the Group has executed over the past decade. He has over 30 years of experience in the capital markets and corporate advisory fields and has leveraged his extensive network to open up new avenues of business for the Group.

Given the above, the Company is of the view that the proposed grant of the Options and Awards to Mr LKO will adequately reward Mr LKO for his past, existing and future efforts in the ongoing creation of shareholder value and also to drive the development and future successes of the Group. The Company is of the view that the proposed grant of Options and Awards is consistent with the objectives of the Plato PSP 2016 and the Plato ESOS 2016 and the Company to motivate its key stakeholders to maintain high level of performance, contribution and commitment to the Group.

In view of the above reasons, the Company proposes to grant Mr LKO Options comprising 1,378,761 Shares and Awards comprising 689,381 Shares, subject to the approval by independent Shareholders of the Company. The terms of the Options and Awards are further stated in sections 11.4 and 11.5 of this Circular.

(b) **Mr GL**

Mr GL is the Chief Executive Officer of the Group. He is also the son of Mr LKO. As such, he is an Associate of Mr LKO.

Mr GL has been with the Company since 2009 and his responsibilities as Chief Executive Officer include the formulation and implementation of the Group's overall investment strategy and oversight of the day-to-day operations of the Company.

Mr GL is responsible for the Group's expansion into the hospitality sector and was instrumental in the formation of Tune Plato Real Estate Holdings Pte. Ltd - the joint venture between the Group and Tune Hotels, subsequent purchase and development of assets in Malaysia, Australia, the United Kingdom and the recent divestment of selected assets in the portfolio at a significant gain.

The Company believes that Mr GL is integral to the future development and success of the Group.

Although Mr GL is an Associate of a Controlling Shareholder, the extension of the Plato PSP 2016 and Plato ESOS 2016 to him will ensure equitable entitlement to the Group's remuneration system and recognition of contributions to the Company. The Company is of the view that the combination of the Options and Awards granted will further motivate Mr GL in strengthening his long term commitment to create shareholder value, and maintaining a high level of performance and contribution which will be vital to the success of the Company.

In view of the above reasons, the Company proposes to grant to Mr GL Options comprising 1,378,761 Shares and Awards comprising 689,381 shares, subject to the approval by independent Shareholders of the Company. The terms of the Options and Awards are further stated in sections 11.4 and 11.5 of this Circular.

(c) **Ms LKF**

Ms LKF is the Head of Legal and Corporate Affairs. She is also the sister of Mr LKO. As such, she is an Associate of Mr LKO.

Ms LKF joined the Company in 2004 and her responsibilities include the overseeing the legal affairs and governance of the Group's extensive multi-jurisdiction investment portfolio. Ms LKF has over 20 years of experience in the fields of banking, capital markets and corporate advisory. It is this wide ranging expertise that has enabled the Group to expand its activities beyond IT services and a single market – Malaysia – investment focus whilst effectively safeguarding the interests of the Group and its Shareholders.

Although Ms LKF is an Associate of the Controlling Shareholder, the extension of the Plato PSP 2016 and Plato ESOS 2016 to her will ensure equitable entitlement to the Group's remuneration system and recognition of contributions to the Company. The Company is of the view that the combination of the Options and Awards granted will further motivate Ms LKF in maintaining her high level of performance and contribution which is vital to the success of the Group and aligned with the objectives of the Plato ESOS 2016 and Plato PSP 2016.

In view of the above reasons, the Company proposes to grant to Ms LKF Options comprising 1,378,761 Shares and Awards comprising 689,381 Shares, subject to the approval by independent Shareholders of the Company. The terms of the Options and Awards are further stated in sections 11.4 and 11.5 of this Circular.

11.4. **Proposed grant of Options to the Recipients under the Plato ESOS 2016**

The Company proposes to grant Options comprising 1,378,761 Shares to each of the Recipient ("**Recipient Options**"), subject to the approval by independent Shareholders of the Company for the grant of the Recipient Options, on the following terms:

Proposed date of grant of the Recipient Options : Date(s) to be determined by the Committee, which shall in no event be later than 30 days from the date of the EGM

Number of Shares comprised in Recipient Options to each Recipient	:	1,378,761 Shares, which represent approximately 0.83% of the total number of issued Shares of the Company as at the Latest Practicable Date
Exercise Price per Share	:	Market Price of S\$0.10, being the price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST, for the five (5) Trading Days immediately preceding the Latest Practicable Date
Vesting Schedule	:	1/3 of the Recipient Options shall be exercisable at any time after the 1 st anniversary of the Offering Date 1/3 of the Recipient Options shall be exercisable at any time after the 2 nd anniversary of the Offering Date 1/3 of the Recipient Options shall be exercisable at any time after the 3 rd anniversary of the Offering Date
Expiry of Recipient Options	:	In the case of Mr LKO, 5 th anniversary of the Offering Date In the case of Mr GL and Ms LKF, 10 th anniversary of the Offering Date

In accordance with the Catalist Rules and the Rules of the Plato ESOS 2016, the proposed grant of the Recipient Options to the Recipients is subject to the approval of independent Shareholders of the Company at the EGM.

Ordinary Resolutions 12, 13 and 14 relate to the proposed grant of Options to Mr LKO, a Controlling Shareholder, and Mr GL and MS LKF, Associates of a Controlling Shareholder, under the Plato ESOS 2016.

The proposed grant of Options to Mr LKO, Mr GL and Ms LKF in the Plato ESOS 2016 (Ordinary Resolutions 12, 13 and 14 respectively) is subject to and contingent upon the passing of Ordinary Resolution 4, being the resolution relating to the proposed adoption of the Plato ESOS 2016 and Ordinary Resolutions 6, 7 and 8 respectively, being the resolutions relating to the participation of the Controlling Shareholder and Associates of the Controlling Shareholder in the Plato ESOS 2016.

11.5. Proposed grant of Awards to the Recipients under the Plato PSP 2016

The Company proposes to grant an Award of up to 689,381 Shares to each of the Recipient (“**Recipient Awards**”), subject to the approval by independent Shareholders of the Company for the grant of the Recipient Awards, on the following terms:

Number of Shares	:	Up to 689,381 ⁽¹⁾
Release and Vesting of the Award ⁽²⁾	:	1/3 in 2017 ⁽³⁾ 1/3 in 2018 ⁽⁴⁾ 1/3 in 2019 ⁽⁵⁾

Notes:

- (1) The aggregate number of Shares to be finally awarded to each Recipient will be based on the achievement of certain predetermined Performance Conditions as determined by the Committee or otherwise in accordance with the Rules of the Plato PSP 2016. 689,381 Shares represent approximately 0.42% of the total number of issued Shares of the Company as at the Latest Practicable Date.
- (2) Shares comprised under the Awards will be allotted and issued or transferred to a Recipient if certain predetermined Performance Conditions as determined by the Committee are achieved or otherwise in accordance with the Rules of the Plato PSP 2016.

- (3) Within three (3) months after the issuance of the Group’s audited financial statements for financial year ended (“FYE”) 31 December 2017.
- (4) Within three (3) months after the issuance of the Group’s audited financial statements for FYE 31 December 2018.
- (5) Within three (3) months after the issuance of the Group’s audited financial statements for FYE 31 December 2019.

In accordance with the Catalyst Rules and the Rules of the Plato PSP 2016, the proposed grant of the Recipient Awards to the Recipients is subject to the approval of independent Shareholders of the Company at the EGM.

Ordinary Resolutions 15, 16 and 17 relate to the proposed grant of Awards to Mr LKO, a Controlling Shareholder and Mr GL and MS LKF, Associates of a Controlling Shareholder, under the Plato PSP 2016.

The proposed grant of Awards to Mr LKO, Mr GL and Ms LKF in the Plato PSP 2016 (Ordinary Resolutions 15, 16 and 17 respectively) is subject to and contingent upon the passing of Ordinary Resolution 5, being the resolution relating to the proposed adoption of the Plato PSP 2016 and Ordinary Resolutions 9, 10 and 11 respectively, being the resolutions relating to the participation of the Controlling Shareholder and Associates of the Controlling Shareholder in the Plato PSP 2016.

11.6. Existing Remuneration

For FY2015, the level of remuneration for the services of each Recipient is set out in the table below. The remuneration includes director’s fees, fixed salary, performance-related income (cash bonus), and benefits-in-kind.

Recipient	Band (S\$)
Mr LKO	<50,000
Mr GL	250,000 to 500,000
Ms LKF	50,000 to 100,000

12. FINANCIAL EFFECTS OF THE PLATO ESOS 2016 AND THE PLATO PSP 2016

12.1. Potential Costs of the Options and Awards

The grant of Options under the Plato ESOS 2016 and/or Awards under the Plato PSP 2016 may result in an increase in the Company’s issued share capital to the extent that new Shares may be issued to the participants pursuant to the exercise of the Options and/or the grant of the Awards (“**New Shares**”). This will in turn depend on, *inter alia*, the number of Shares comprised in the Options and Awards to be issued. As such, there would be no impact on the Company’s number of Shares if the relevant Options are not exercised or the relevant Awards are not Vested.

Based on the Financial Reporting Standards (“**FRS**”), no cash outlays would be expended by the Company at the time Options and Awards are issued by it (as compared with cash bonuses). However, the Company would recognise an expense in the financial statements based on the fair value of the Options and/or the Awards at the grant dates.

FRS 102 is effective for the financial statements of the Company for the financial year beginning 1 April 2005. Participants may be receiving Shares in settlement of the Options and Awards, and the Options and/or the Awards (as the case may be) would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Options and/or Awards would be recognised as a charge to the income statement over the vesting period of an Option or Award

(as the case may be) and a corresponding credit to reserve account. For Options granted, the total amount of the charge over the vesting period is generally measured based on the fair value of each Option granted. This is normally estimated by applying the option pricing model at the Date of Grant. As for Awards, the total amount of charge over the vesting period is based on the market price at the Award Date adjusted to take into the account the terms and conditions upon which the Awards were granted. Before the end of the vesting period, at each accounting year end, the estimate of the number of Options and Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made. This accounting treatment has been referred to as the “modified grant date method”, because the number of Shares included in the determination of the expense relating to employee services is adjusted to reflect the actual number of Shares that eventually vest but no adjustment is made to changes in the fair value of the Shares since the Date of Grant or the Award Date.

In the case of Awards, the amount charged to the income statement depends on whether or not the Performance Condition(s) attached to an Award is a “market condition”, which is a condition which is related to the market price of the Shares. If the Performance Condition is not a market condition, the fair value of the Shares granted at the Award Date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to Vest. Thus, if the Awards do not ultimately Vest due to a failure to meet the Performance Condition(s), the amount charged to the income statement would be reversed at the end of the Vesting period.

12.2. **Share Capital**

The Plato ESOS 2016 and the Plato PSP 2016 will result in an increase in the Company’s issued ordinary share capital only when New Shares are issued to participants pursuant to the Vesting of Awards and the exercise of Options. This increase will in turn depend on, *inter alia*, the number of Shares comprised in the Awards and the Options, and the prevailing market price of the Shares on the SGX-ST. However, there will be no change to the Company’s issued share capital where Options (when exercised) and Awards are satisfied by Treasury Shares held by the Company or existing Shares purchased by the Company for delivery to the relevant participants.

12.3. **Earnings per Share**

The Plato ESOS 2016 and the Plato PSP 2016 will have a dilutive effect on the Company’s EPS following the increase in the Company’s issued share capital to the extent that new Shares are issued pursuant to the Plato ESOS 2016 and the Plato PSP 2016.

12.4. **Net Tangible Assets (“NTA”)**

The issue of New Shares upon the exercise of the Options under the Plato ESOS 2016 will increase the NTA of the Company by the aggregate Exercise Price of the New Shares. On a per Share basis, the effect on the NTA of the Company is accretive if the Exercise Price is above the NTA per Share but dilutive otherwise.

As described above, the grant of Awards under the Plato PSP 2016 is likely to result in a charge in the Company’s profit and loss account over the period from the Award Date to the Vesting Date of the relevant Awards. The amount of the charge will be computed in accordance with the grant date method under FRS 102. However, if instead of issuing New Shares to participants, existing Shares are delivered to participants or the Company pays the equivalent cash value, the NTA of the Company would decrease by the cost of the existing Shares delivered or the cash payment, respectively.

13. DISCLOSURES IN ANNUAL REPORTS

The Company, as required by the SGX-ST, shall make the following disclosures (as may be applicable under the then prevailing listing rules) in its annual report for so long as each of the Plato ESOS 2016 and the Plato PSP 2016 continues in operation:

- (a) the names of the members of the Committee administering each of the Plato ESOS 2016 and the Plato PSP 2016;
- (b) in respect of the following participants of each of the Plato ESOS 2016 and the Plato PSP 2016:
 - (i) Directors;
 - (ii) Controlling Shareholders and their Associates;
 - (iii) participants (other than those in sub-paragraphs (i) and (ii) above) who have been granted Options under the Plato ESOS 2016 and/or who have received Awards granted under the Plato PSP 2016 which, in aggregate, represent 5% or more of the total number of Shares available under each of the Plato ESOS 2016 and the Plato PSP 2016 respectively;

the following information:

- (1) the name of the participant;
- (2) the following particulars relating to the Options granted under the Plato ESOS 2016:
 - (i) Options granted during the financial year under review (including terms);
 - (ii) the aggregate number of Shares comprised in Options granted since the commencement of the Plato ESOS 2016 to the end of the financial year under review;
 - (iii) the aggregate number of Shares arising from Options exercised since the commencement of the Plato ESOS 2016 to the end of the financial year under review; and
 - (iv) the aggregate number of Shares comprised in Options outstanding as at the end of the financial year under review; and
- (3) the following particulars relating to the Awards granted under the Plato PSP 2016:
 - (i) the aggregate number of Shares comprised in Awards granted during the financial year under review;
 - (ii) the aggregate number of Shares comprised in Awards granted since the commencement of the Plato PSP 2016 to the end of the financial year under review;
 - (iii) the aggregate number of Shares comprised in Awards which have Vested under the Plato PSP 2016 since the commencement of the Plan to the end of the financial year under review; and
 - (iv) the aggregate number of Shares comprised in Awards which have not yet Vested, as at the end of the financial year under review; and

- (c) the number and proportion of Shares comprised in Options granted under the Plato ESOS 2016 during the financial year under review:
- (i) at a discount of 10% or less of the Market Price in respect of the relevant Option; and
 - (ii) at a discount of more than 10% but not exceeding 20% of the Market Price in respect of the relevant Option.

14. LISTING OF SHARES

An application has been made to the SGX-ST, through the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd., for the approval of the listing and quotation of (i) the Conversion Shares and the Interest Shares and (ii) the New Shares to be allotted and issued pursuant to the Plato ESOS 2016 and the Plato PSP 2016 ("**Relevant Shares**").

As at the Latest Practicable Date, the Company has not received the listing and quotation notice from the SGX-ST in relation to the listing and quotation of Relevant Shares. The Company will make an announcement when the listing and quotation notice is obtained from the SGX-ST. Such announcement will include any conditions stipulated by the SGX-ST. The Company will comply with the conditions stipulated by the SGX-ST.

The listing and quotation notice to be given by the SGX-ST in respect of the Relevant Shares is not an indication of the merits of the Proposed Acquisition, the Proposed RCULS Issue, the Share Plans, the Relevant Shares, the Company, its subsidiaries and/or their securities.

15. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders (both direct and deemed) in the Shares as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders kept by the Company are set out below:

	As at Latest Practicable date Based on the Existing Issued Share Capital		
	Direct Interest (Number of Shares)	Deemed Interest (Number of Shares)	Total Interest (%)
DIRECTORS			
MR LKO	-	68,415,627 ⁽¹⁾	41.35
Mr GL	-	-	-
Michael Kan Yuet Yun PBM	-	-	-
Chong Huai Seng	-	-	-
Oh Teik Khim	-	-	-
SUBSTANTIAL SHAREHOLDERS			
Mr LKO and Ms QSL	-	68,415,627 ⁽¹⁾	41.35
Ng Kok Hin	10,578,675	-	6.39
Tan Sri Dr. Anthony Francis Fernandes	-	12,325,000 ⁽²⁾	7.45

Datuk Kamarudin Bin Meranun	-	12,325,000 ⁽³⁾	7.45
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Notes:

⁽¹⁾ (i) 40,415,627 Shares are held by Citibank Nominees Singapore Pte. Ltd. for Bank Julius Baer (Singapore) Ltd for Mr LKO and Ms QSL jointly and (ii) 28,000,000 Shares are held by DBSN Services Pte. Ltd. for A/c JPMorgan Bank Luxembourg SA re JP Morgan Private Bank for Mr LKO and Ms QSL jointly

⁽²⁾ Held by HSBC (Singapore) Noms Pte. Ltd. for Tan Sri Dr. Anthony Francis Fernandes

⁽³⁾ Held by Citibank Nominees Singapore Pte. Ltd. for Datuk Kamarudin Bin Meranun

Other than through their respective shareholdings in the Company and save as disclosed in this Circular, none of the Directors or Controlling Shareholders has any interest, direct or indirect (other than through their shareholdings in the Company) in the EGM Proposals.

16. DIRECTORS' RECOMMENDATIONS

16.1. The Proposed Acquisition

In respect of Ordinary Resolution 1, after having considered, *inter alia*, the rationale and benefits of the Proposed Acquisition, the Directors (except for Mr LKO and Mr GL) are of the opinion that the Ordinary Resolution 1, being the resolution relating the Proposed Acquisition, is in the best interests of the Company. They accordingly recommend that Shareholders vote in favour of Ordinary Resolution 1.

Mr LKO has volunteered to abstain from voting on the Proposed Acquisition as the Proposed Acquisition is subject to and contingent upon the passing of the Proposed RCULS Issue, in which he has an interest. Accordingly, Mr LKO has abstained from making any recommendation to the Shareholders on the same. Mr GL is an Associate of Mr LKO and has accordingly abstained from making any recommendation to the Shareholders on the same.

16.2. The Proposed RCULS Issue

In respect of Ordinary Resolution 2, after having considered, *inter alia*, the rationale and benefits of the Proposed RCULS Issue, the Directors (except for Mr LKO and Mr GL) are of the opinion that Ordinary Resolution 2 is in the best interests of the Company. They accordingly recommend that Shareholders vote in favour of Ordinary Resolution 2.

Mr LKO has abstained from making any recommendation to the Shareholders on the same, as he is interested in the Proposed RCULS Issue. Mr GL is an Associate of Mr LKO and has accordingly abstained from making any recommendation to the Shareholders on the same.

16.3. The Proposed Whitewash Resolution

In respect of Ordinary Resolution 3, after having considered, *inter alia*, the rationale and benefits of the Proposed Whitewash Resolution, the Directors (except for Mr LKO and Mr GL) are of the opinion that the Proposed Whitewash Resolution are in the best interests of the Company. They accordingly recommend that the Independent Shareholders vote in favour of the Ordinary Resolution 3.

Mr LKO has abstained from making any recommendation to the Independent Shareholders on the same, as he is interested in the Proposed Whitewash Resolution. Mr GL is an Associate of Mr LKO and has accordingly abstained from making any recommendation to the Independent Shareholders on the same.

16.4. **The Proposed Adoption of the Share Plans**

The Directors will all be potentially eligible to participate in the Share Plans, and are therefore interested in the proposed adoption of the Share Plans. They have accordingly refrained from making any recommendation in respect of the adoption of the Share Plans.

16.5. **The Proposed Participation of, and Grant of Options and Awards to, the Controlling Shareholder and Associates of the Controlling Shareholder in the Share Plans**

The Directors (except for Mr LKO and Mr GL), having considered and reviewed, the rationale for, and benefit of the proposed participation in the Share Plans by, and the proposed grant of Options and Awards to:

- (i) Mr LKO, a Controlling Shareholder of the Company;
- (ii) Mr GL, an Associate of a Controlling Shareholder of the Company; and
- (iii) Ms LKF, an Associate of a Controlling Shareholder of the Company,

are of the opinion that their proposed participation in the Share Plans and the proposed grant of Options and Awards to them under the Share Plans are in the interests of the Company. They accordingly recommend that Shareholders vote in favour of Ordinary Resolutions 6 to 17.

Mr LKO has abstained from making any recommendation to the Shareholders on the same, as he is interested in the Share Plans. Mr GL who is interested in the Share Plans and is an Associate of Mr LKO has accordingly abstained from making any recommendation to the Shareholders on the same.

16.6. The Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, the Directors recommend that any individual Shareholder who may require specific advice in relation to the EGM Proposals should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

17. **ABSTENTION FROM VOTING**

17.1. **The Proposed Acquisition**

Mr LKO has volunteered to abstain from voting on the Proposed Acquisition as the Proposed Acquisition is subject to and contingent upon the passing of the Proposed RCULS Issue, in which he has an interest.

Accordingly:

- (i) Mr LKO will abstain, and will procure that his Associates (including the Controlling Shareholder Concert Group and Mr GL) will abstain, from voting on Ordinary Resolution 1 relating to Proposed Acquisition. Mr LKO has undertaken to the Company to abstain and procure that his Associates will abstain from voting on Ordinary Resolution 1 relating to Proposed Acquisition; and
- (ii) Mr LKO will not, and will procure that his Associates (including the Controlling Shareholder Concert Group and Mr GL) will not, accept any appointments to act as proxies of other Shareholders to vote on the Ordinary Resolution 1 relating to the Proposed Acquisition at the EGM, unless the relevant Shareholder shall have given specific instructions as to the manner in which his votes are to be cast for such resolution.

17.2. **The Proposed RCULS Issue**

Pursuant to Rule 812(2) and Rule 921(7) of the Catalist Rules:

- (i) Mr LKO will abstain, and will procure that his Associates (including the Controlling Shareholder Concert Group and Mr GL) will abstain, from voting on Ordinary Resolution 2 relating to Proposed RCULS Issue. Mr LKO has undertaken to the Company to abstain and procure that his Associates will abstain from voting on Ordinary Resolution 2 relating to Proposed RCULS Issue; and
- (ii) Furthermore, Mr LKO will not, and will procure that his Associates (including the Controlling Shareholder Concert Group and Mr GL) will not, accept any appointments to act as proxies of other Shareholders to vote on the Ordinary Resolution 2 relating to the Proposed RCULS Issue at the EGM, unless the relevant Shareholder shall have given specific instructions as to the manner in which his votes are to be cast for such resolution.

17.3. **The Proposed Whitewash Resolution**

Pursuant to the SIC Conditions:

- (i) the Relevant Parties and parties not independent of them shall abstain from voting on Ordinary Resolution 3 relating to the Proposed Whitewash Resolution at the EGM in respect of their shareholdings in the Company; and
- (ii) they shall not accept any appointments to act as proxies of other Shareholders to vote on the Ordinary Resolution 3 relating to the Proposed Whitewash Resolution at the EGM, unless the relevant Shareholder shall have given specific instructions as to the manner in which his votes are to be cast for such resolutions.

17.4. **The Proposed Adoption of the Share Plans**

Pursuant to Rule 858 of the Catalist Rules:

- (i) Shareholders who are entitled to participate in the Share Plans, including all the Directors of the Company and all Controlling Shareholders and their Associates (including Mr LKO, Ms LKF and Mr GL), shall abstain from voting on Ordinary Resolutions 4 and 5 relating to the proposed adoption of the Share Plans at the EGM; and
- (ii) They will not accept any appointments to act as proxies of other Shareholders to vote on the Ordinary Resolutions 4 and 5 relating to the proposed adoption of the Share Plans at the EGM, unless the relevant Shareholder shall have given specific instructions as to the manner in which his votes are to be cast for such resolutions.

17.5. **The Proposed Participation of Controlling Shareholder and Associates of the Controlling Shareholder in the Share Plans**

Pursuant to Rule 858 of the Catalist Rules:

- (i) Shareholders who are entitled to participate in the Share Plans, including all the Directors of the Company and all Controlling Shareholders and their Associates (including Mr LKO, Mr GL and Ms LKF), shall abstain from voting on Ordinary Resolutions 6, 7, 8, 9, 10 and 11 relating to the proposed participation of the Controlling Shareholder and the Associates of the Controlling Shareholder (i.e. Mr LKO, Mr GL and Ms LKF) in the Share Plans at the EGM; and
- (ii) They will not accept any appointments to act as proxies of other Shareholders to vote on the Ordinary Resolutions 6, 7, 8, 9, 10 and 11 relating to the proposed participation of the Controlling Shareholder and the Associates of the Controlling Shareholder in the Share Plans at the EGM, unless the relevant Shareholder shall have given specific instructions as to the manner in which his votes are to be cast for such resolutions.

17.6. The Proposed Grant of Options and Awards to Controlling Shareholder and Associates of the Controlling Shareholder in the Share Plans

Pursuant to Rule 858 of the Catalist Rules:

- (i) Shareholders who are entitled to participate in the Share Plans, including all the Directors of the Company and all Controlling Shareholders and their Associates (including Mr LKO, Mr GL and Ms LKF), shall abstain from voting on Ordinary Resolutions 12, 13, 14, 15, 16 and 17 relating to the proposed grant of Options and Awards to the Controlling Shareholder and the Associates of the Controlling Shareholder (i.e. Mr LKO, Mr GL and Ms LKF) under the Share Plans at the EGM; and
- (ii) They will not accept any appointments to act as proxies of other Shareholders to vote on the Ordinary Resolutions 12, 13, 14, 15, 16 and 17 relating to the proposed grant of Options and Awards to the Controlling Shareholder and the Associates of the Controlling Shareholder under the Share Plans at the EGM, unless the relevant Shareholder shall have given specific instructions as to the manner in which his votes are to be cast for such resolutions.

18. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 125 to 132 of this Circular, will be held at Clove Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 on Friday 20 May 2016 at 10.30 a.m. for the purpose of considering and, if thought fit, passing, with or without modification the resolutions set out in the Notice of EGM.

19. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at 50 Raffles Place #32-01 Singapore Land Tower Singapore 04862350, not later than 48 hours before the time fixed for the EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes in place of the proxy.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP not less than 72 hours before the time fixed for the EGM or any adjournment thereof.

20. CONSENT OF THE IFA

The IFA has given and has not before the date of this Circular withdrawn its written consent to the issue of this Circular with the inclusion of its name, its letter or report, and all references thereto, in the form and context in which they appear in the Circular.

21. 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 EGM Proposals, and 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.

22. INSPECTION OF DOCUMENTS

A copy 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 the date of the EGM:

- (a) the Company's Constitution;
- (b) the annual report of the Company for the financial year ended 31 December 2015;
- (c) the SSA;
- (d) the Letter of Assignment;
- (e) the Letter of Guarantee;
- (f) the ECMLIB MGO Undertaking;
- (g) the Undertaking Letter;
- (h) the RCULS Subscription Agreement;
- (i) the Supplemental Agreement;
- (j) the IFA Letter; and
- (k) the consent of the IFA.

By Order of the Board

Low Geok Eng Susie
Secretary
Singapore

5 May 2016

APPENDIX 1 – ADJUSTMENT EVENTS

1. DEFINITIONS

For the purposes of this Appendix, the following definitions shall apply:

“**NCP**”: means the new Conversion Price.

“**OCP**”: means the old Conversion Price.

“**Approved Third Party**”: means the Company’s auditors, a leading investment bank of international repute or an independent auditor selected by the Directors in their sole and absolute discretion.

“**Capital Distribution**”: means (i) any distribution of assets in specie by the Company for any financial period whenever paid or made and however described (and for these purposes a distribution of assets in specie includes without limitation an issue of the Shares or other securities credited as fully or partly paid or nil paid (other than the Shares credited as fully paid by way of capitalisation of profits or reserves)); and (ii) any cash dividend or distribution of any kind by the Company for any financial period (whenever paid and however described).

“**Current Market Price**”: means, in respect of a Share at a particular time on a particular date, the average of the daily volume-weighted average prices quoted by the SGX-ST for one (1) Share (being a Share carrying full entitlement to dividend) for the 5 consecutive Trading Days ending on the Trading Day immediately preceding such date; provided that if at any time during the said five (5) Trading Day period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:

- (i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the Fair Market Value thereof reduced by an amount equal to the amount of that dividend per the Share; or
- (ii) if the Shares to be issued in such circumstances rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by such similar amount;

and provided further that if the Shares on each of the said five (5) Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per the Share;

and provided further that:

- (a) if such daily volume-weighted average prices are not available on each of the five (5) Trading Days during the Relevant Period, then the arithmetic average of such daily volume-weighted average prices which are available in the Relevant Period shall be used (subject to a minimum of two (2) such daily volume-weighted average prices); and
- (b) if only one (1) or no such daily volume-weighted average prices is available in the Relevant Period, then the Current Market Price shall be determined in good faith by the Approved Third Party (acting as an expert) appointed by the Company.

“**Dividend**”: means any dividend or distribution, whether of cash, assets or other property, and whenever paid or made and however described (and for these purposes a distribution of assets includes, without limitation, an issue of the Shares or other securities credited as fully or partly paid up) provided that:

- (b) where a cash Dividend is announced which is to be, or may at the election of a holder or holders of the Shares be, satisfied by the issue or delivery of the Shares or other property or assets, then, the Dividend in question shall be treated as a Dividend of (a) the cash Dividend so announced or (b) the Current Market Price on the date of announcement of such Dividend, of such the Shares or the Fair Market Value of other property or assets to be issued or delivered in satisfaction of such Dividend (or which would be issued if all holders of the Shares elected therefor, regardless of whether any such election is made) if the Current Market Price of such the Shares or the Fair Market Value of other property or assets is greater than the cash Dividend so announced; and
- (c) any issue of the Shares falling within paragraph 2(b) or (c) shall be disregarded

“Fair Market Value”: means, with respect to any assets, securities, options, warrants or other rights on any date, the fair market value of that asset, security, option, warrant or other right as determined in good faith by the Approved Third Party (acting as an expert), selected by the Company provided that (i) the fair market value of a cash Dividend paid or to be paid per the Share shall be the amount of such cash Dividend per the Share determined as at the date of announcement of such Dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Approved Third Party) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily volume-weighted average prices of such options, warrants or other rights during the period of five (5) Trading Days on the relevant market commencing on the first such Trading Day such options, warrants or other rights are publicly traded.

“Relevant Period”: means the period beginning on the 30th Trading Day prior to the record day for the first dividend or distribution, and ending on the Trading Day immediately preceding the record date for the latest dividend or distribution, which when aggregated with any intervening dividends or distributions, causes an adjustment to the Conversion Price to be made pursuant to the Conditions set out in paragraph 2.

“Record Date”: means, in relation to the relevant transaction, the date as at the close of business (or such other time as may be notified by the Company) on which the Shareholders must be registered as such to participate therein.

“Trading Day” means a day when the SGX-ST is open for dealing business, provided that if no closing price is reported in respect of the relevant Shares on the SGX-ST for one (1) or more consecutive dealing days, such day or days will be disregarded in any relevant calculation and shall be deemed not to have existed when ascertaining any period of dealing days

2. ADJUSTMENT EVENTS

The Conversion Price will be subject to adjustment following the occurrence of the following events:

- (a) Consolidation, Subdivision or Reclassification: If and whenever there shall be an alteration to the number of the Shares as a result of consolidation, subdivision or reclassification, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left(\frac{NSB}{NSA} \right)$$

where:

NSB: is the aggregate number of the Shares immediately before such alteration; and

NSA: is the aggregate number of the Shares immediately after such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

- (b) Capitalisation of profits or reserves: If and whenever the Company shall issue any the Shares credited as fully paid to the holders of the Shareholders by way of capitalisation of profits or reserves including the Shares paid up out of distributable profits or reserves, save where the Shares are issued in lieu of the whole or any part of a specifically declared cash dividend, being a dividend which the Shareholders concerned would or could otherwise have received and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted in accordance with the following formula;

$$\text{NCP} = \text{OCP} \times \left(\frac{\text{NSB}}{\text{NSA}} \right)$$

where:

NSB: is the aggregate number of the Shares immediately before such alteration; and

NSA: is the number of the Shares immediately after such alteration.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

- (c) Capital Distribution: If and whenever the Company shall pay or make any Capital Distribution to the Shareholders (except where the Conversion Price falls to be adjusted under the above paragraph 2(b)), the Conversion Price shall be adjusted:

- (i) in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \left(\frac{\text{CMP-FMV}}{\text{CMP}} \right)$$

where:

CMP: is the Current Market Price of one (1) Share on the last Trading Day preceding the date on which the Capital Distribution is publicly announced; and

FMV: is the Fair Market Value on the date of such announcement, of the portion of the Capital Distribution attributable to one (1) Share.

OR

- (ii) in such manner (if at all) as Approved Third Party (acting as an expert) selected by the Company shall determine to be fair and reasonable.

Such adjustment shall become effective on the date that such Capital Distribution is made.

Where the Capital Distribution is by means of distribution of a cash dividend, only such portion of cash dividend or distribution which exceeds any distribution in cash in respect of the Shares arising out of 25% of the Company's distributable earnings and profits of the current financial year (the "**excess portion**") shall be regarded as Capital Distribution and only the excess portion shall be taken into account in the determination of the Fair Market Value of the portion of the Capital Distribution attributable to one (1) Share.

- (d) Rights Issues of Shares or Options over Shares: If and whenever the Company shall issue the Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class, by way of rights, options, warrants or other rights to

subscribe for or purchase any the Shares, in each case at less than ninety five (95.0) per cent of the Current Market Price (as defined above) per Share on the last Trading Day preceding the date of the announcement of the terms of such issue or grant, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left(\frac{NSB + NSLI}{NSB + NSI} \right)$$

where:

NSB: is the aggregate number of the Shares immediately before such alteration;

NSLI: is the number of the Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued by way of rights would have obtained had such the Shares or options or warrants or other rights issued by way of rights been purchased at the Current Market Price per Share at the time of such alteration; and

NSI: is the aggregate number of the Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be).

(e) *Rights Issues of Other Securities:* If and whenever the Company shall issue any securities (other than the Shares or options, warrants or other rights to subscribe for or purchase the Shares) to all or substantially all Shareholders as a class, by way of rights, or grant to all or substantially all Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase, any securities (other than the Shares or options, warrants or other rights to subscribe or purchase the Shares), the Conversion Price shall be adjusted:

(i) in accordance with the following formula:

$$NCP = OCP \times \left(\frac{CMP-FMV}{CMP} \right)$$

where:

CMP: is the Current Market Price of one (1) Share on the last Trading Day preceding the date on which such issue or grant is publicly announced; and

FMV: is the Fair Market Value on the date of such announcement, of the portion of the rights attributable to one (1) Share.

OR

(ii) in such manner (if at all) as the Approved Third Party (acting as an expert) selected by the Company shall determine to be fair and reasonable.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be).

(f) *Issues at less than Current Market Price:* If and whenever the Company shall issue (otherwise than as mentioned in the above paragraph 2 (d)) wholly for cash any Shares (other than the Shares issued on the exercise of conversion rights or on the exercise of any other rights of conversion into, or exchange or subscription for, the Shares) or issue or grant (otherwise as mentioned in the above paragraph 2 (d)) options, warrants or other rights to subscribe for or purchase the Shares in

each case at a price per Share which is less than ninety five (95.0) per cent of the Current Market Price on the last Trading Day preceding the date of announcement of the terms of such issue, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left(\frac{NSB + NS(CMP)}{NSA} \right)$$

where:

NSB: is the aggregate number of the Shares immediately before such alteration;

NS(CMP): is the number of the Shares which the aggregate consideration receivable for the issue of such additional the Shares or the grant of such options, warrants or other rights to subscribe for or purchase any Shares would have obtained had such additional Shares or options or warrants or other rights been purchased at the Current Market Price per Share at the time of such alteration; and

NSA: is the aggregate number of the Shares immediately after such alteration. References to additional Shares in the above formula shall, in the case of an issue by the Company of options, warrants or other rights to subscribe or purchase Shares, mean such Shares to be issued, or otherwise made available, assuming that such options, warrants or other rights are exercised in full at the initial exercise price (if applicable) on the date of issue of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the grant of such options, warrants or other rights.

- (g) *Other Issues at less than Current Market Price:* Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this paragraph, the issue wholly for cash by the Company or any subsidiary (otherwise than as mentioned in the paragraph 2 (d), (e) and (f) above) or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary) any other company, person or entity of any securities (other than the RCULS) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than ninety five (95) per cent of the Current Market Price on the last Trading Day preceding the date of announcement of the terms of issue of such securities. In such an event, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left(\frac{NSB + NS(CMP)}{NSB + NS(ICP)} \right)$$

where:

NSB: is the aggregate number of Shares immediately before such alteration;

NS(CMP): is the number of Shares which the aggregate consideration receivable by the Company for Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would have obtained had such conversion or exchange or exercise of the right of subscription been effected at the Current Market Price per Share at the time of such alteration; and

NS(ICP): is the maximum number of Shares to be issued had such conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto been effected at the initial conversion or exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue of such securities.

- (h) *Other Offers to Shareholders:* The issue, sale or distribution by or on behalf of the Company or any subsidiary or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary) any other company, person or entity of any securities in connection with an offer by or on behalf of the Company or any subsidiary or such other company, person or entity pursuant to which offer the Shareholders generally (meaning for these purposes the holders of at least fifty (50.0) per cent of Shares outstanding at the time such offer is made) are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under the paragraphs 2 (d), (e), (f) and (g)). In such an event, the Conversion Price shall be adjusted:

- (i) in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \left(\frac{\text{CMP} - \text{FMV}}{\text{CMP}} \right)$$

where:

CMP: is the Current Market Price of one (1) Share on the last Trading Day preceding the date on which such issue is publicly announced; and

FMV: is the Fair Market Value on the date of such announcement, of the portion of the rights attributable to one (1) Share.

OR

- (ii) in such manner (if at all) as the Approved Third Party (acting as an expert) selected by the Company shall determine to be fair and reasonable.

Such adjustment shall become effective on the date of issue of the securities.

- (i) *Other Events:* If the Company determines that an adjustment should be made to the Conversion Price as a result of one (1) or more events or circumstances not referred to in this paragraph 2, the Company shall at its own expense request the Approved Third Party (acting as an expert) selected by the Company, to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination such adjustment shall be made and shall take effect in accordance with such determination provided that where the circumstances giving rise to any adjustment pursuant to this paragraph 2 have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this paragraph as may be advised by the Approved Third Party (acting as an expert) selected by the Company, to be in such Approved Third Party's opinion appropriate to give the intended result.
- (j) *Modifications to Adjustments:* Notwithstanding paragraphs 2(a) to (i), in any circumstances where the Directors consider that any adjustments to the Conversion Price provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Conversion Price should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Third Party to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the

provisions of paragraph 2 is appropriate or inappropriate, as the case may be, and, if such Approved Third Party shall consider the adjustment to be appropriate or inappropriate, as the case may be, the adjustment shall, subject to approval of the Directors, be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank to be in its opinion appropriate.

Notwithstanding anything in this paragraph 2, in the event any adjustment to the Conversion Price is proposed or required to be made pursuant to these Conditions, the Approved Third Party, in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Company from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Company as at the date of issue of this RCULS, that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per Share value of such adjustment cannot exceed the per Share value of the dilution to the RCULS Holder's interest in the equity of the Company (based on the Shares comprised in the unconverted RCULS held by such RCULS Holder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.

3. No adjustment of the Conversion Price shall be required unless such adjustment would result in an increase or decrease in such price of at least one tenth of one Singapore cent. Any adjustment which by reason of this paragraph 3 is not required to be made shall be carried forward in any subsequent adjustment. All calculations (including, without limitation, calculations of the Conversion Price, the Conversion Price and the current market price per Share) shall be made to the fourth decimal place.

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**APPENDIX 2 - LETTER FROM SAC CAPITAL PRIVATE LIMITED IN RELATION TO
THE INTERESTED PERSON TRANSACTION AND THE PROPOSED WHITEWASH RESOLUTION**

SAC CAPITAL PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200401542N)

1 Robinson Road #21-02 AIA Tower
Singapore 048542

5 May 2016

The Audit Committee of Plato Capital
Limited in relation to the Interested
Person Transaction

Michael Kan Yuet Yun PBM
Chong Huai Seng

The Independent Directors of Plato
Capital Limited in relation to the
Proposed Whitewash Resolution

Michael Kan Yuet Yun PBM
Chong Huai Seng
Oh Teik Khim

Dear Sirs

- (I) **THE PROPOSED ISSUE OF REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS AS AN INTERESTED PERSON TRANSACTION; AND**
- (II) **THE PROPOSED WHITEWASH RESOLUTION**

Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 5 May 2016 (the “Circular”) shall have the same meanings herein.

1. INTRODUCTION

On 25 February 2016, Plato Capital Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) announced (the “**Announcement**”) that its wholly-owned subsidiary, Truesource Sdn Bhd (“**TSSB**”) had on 23 February 2016 entered into a conditional share sale agreement (the “**SSA**”) with 4 independent third parties (the “**Vendors**”) to acquire 74,194,973 ordinary shares of RM0.12 each, representing 25.9% of the total issued and paid-up capital (the “**Subject Shares**”) of ECM Libra Financial Group Berhad (“**ECMLIB**”). ECMLIB is a public company incorporated in Malaysia and is listed on the Main Board of Bursa Malaysia Securities Berhad (“**Bursa**”). The purchase consideration for each of the Subject Shares is RM0.37 (equivalent to S\$0.1282 based on an exchange rate of RM1:S\$0.3466) and the total purchase consideration for the Subject Shares is RM27,452,140 (equivalent to S\$9,514,911.73 based on an exchange rate of RM1:S\$0.3466) (the “**Purchase Consideration**”) payable by cash at completion (the “**Proposed Acquisition**”). The Company further announced on 7 March 2016 that Truesource Pte. Ltd. (“**TPL**”), a wholly-owned subsidiary of the Company, had assumed, *inter alia*, the rights and obligations of TSSB under the SSA.

In connection with the Proposed Acquisition, the Company has obtained an undertaking from Mr Lim Kian Onn (“**Mr LKO**”), a director and controlling shareholder of the Company, that upon the satisfaction of condition precedents under the SSA, he shall subscribe for S\$10 million in aggregate principal amount of redeemable convertible unsecured loan stocks (“**RCULS**”) (the “**Proposed RCULS Issue**”). The RCULS are convertible into new ordinary shares in the Company (the “**Conversion Shares**”) at a conversion price of S\$0.13 (the “**Conversion Price**”). The Company and Mr LKO had on 19 April 2016 entered into a subscription agreement in relation to the RCULS (the “**RCULS Subscription Agreement**”).

The RCULS will bear interest at the rate of 0.5% per annum on the principal amount of the RCULS (“**Interest**”). Interest shall accrue on a daily basis (without compounding) and is payable on the Maturity Date. The interest payments can be made in cash or satisfied through the issue and allotment of additional Shares at the discretion of Mr LKO. If Mr LKO elects to receive Shares (the “**Interest Shares**”) in lieu of cash, the number of Shares to be issued shall be equal to the total interest payment due divided by an issue price equivalent to the Conversion Price.

The Interested Person Transaction

Mr LKO, being a director and controlling shareholder of the Company, is defined as an “**Interested Person**” of the Company while the Company is an “**Entity at Risk**” under Chapter 9 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Accordingly, the issue of the RCULS to Mr LKO constitutes an “**Interested Person Transaction**” within the ambit of Chapter 9 of the Catalist Rules.

Pursuant to Rule 906(1)(a) of the Catalist Rules, the Company is required to obtain approval from the shareholders of the Company (the “**Shareholders**”) on any interested person transaction of a value equal to or more than 5% of the latest audited consolidated net tangible assets (“**NTA**”) of the Group. As the aggregate value of the Conversion Shares and the Interest Shares to be issued upon the conversion of the RCULS and the Interest of S\$10.25 million represents approximately 32.7% of the Group’s latest audited NTA of S\$31.3 million as at 31 December 2015, which will exceed 5% of the Group’s latest audited NTA of approximately S\$31.3 million as at 31 December 2015, the Company will be seeking the approval from the Shareholders who are independent for, *inter alia*, the purposes of the RCULS (the “**Non-Interested Shareholders**”) at an extraordinary general meeting of the Company to be convened (the “**EGM**”).

The Proposed Whitewash Resolution

As at the Latest Practicable Date, Mr LKO and his wife, Ms Quek Siow Leng (“**Ms QSL**”), collectively have a direct and deemed interest in 68,415,627 issued ordinary shares of the Company (“**Shares**”) representing 41.4% of the issued share capital. Ms Lim Kian Fah (“**Ms LKF**”) and Mr Lim Khiang Wee (“**Mr LKW**”), siblings of Mr LKO, have interests in 8,175,795 Shares and 6,679,113 Shares representing 4.9% and 4.0% of the issued share capital respectively. Collectively, Mr LKO, Ms QSL, Ms LKF and Mr LKW (Ms QSL, Ms LKF and Mr LKW shall herein be referred to as the “**Controlling Shareholder Concert Group**”) have an aggregate interest in 83,270,535 Shares representing 50.3% of the issued share capital.

Assuming that Mr LKO elects to convert all of the RCULS into Conversion Shares and to receive Interest Shares in respect of the entire interest payment due for the RCULS, the total number of Conversion Shares and Interest Shares to be issued will be 78,846,152 Shares. In such a scenario, Mr LKO would have a direct and deemed interest in 147,261,779 Shares representing 60.3% of the enlarged issued share capital and Mr LKO and the Controlling Shareholder Concert Group would have an aggregate interest in 162,116,687 Shares representing 66.4% of the enlarged issued share capital.

Under Note 5 on Rule 14.1 of The Singapore Code on Take-overs and Mergers (the “**Code**”), a member of a group acting in concert may also be required to make a mandatory general offer where his shareholding increases to 30% or more, or if he already holds between 30% and 50%, by more than 1% in any 6-month period, notwithstanding that the shareholding of such group is already more than 50%. Accordingly, Mr LKO may be required pursuant to Rule 14 of the Code to make a mandatory general offer for the Shares which they do not already own, control or have agreed to acquire, unless such obligation is waived by the Securities Industry Council (the “**SIC**”).

The SIC had on 11 April 2016 ruled that Mr LKO will incur an obligation to make a general offer under Rule 14 of the Code by reason of the acquisition of the Conversion Shares and/or the Interest Shares and had waived the requirement for Mr LKO to make a mandatory general offer under Rule 14 of the Code for the Company (the “**Whitewash Waiver**”) in the event that he triggers an obligation to do so as a result of the acquisition of the Conversion Shares and/or the Interest Shares, subject to, *inter alia*, the Company appointing an independent financial adviser (“**IFA**”) to render its advice on the Proposed Whitewash Resolution.

Accordingly, the Company has appointed us as (a) the IFA to the audit committee of the Company (the “**Audit Committee**”) to express an opinion on whether the Proposed RCULS Issue is on normal commercial terms and is not prejudicial to the interests of the Company and the Non-Interested Shareholders; and (b) the IFA to the directors of the Company who are independent for the purposes of the Proposed Whitewash Resolution (the “**Independent Directors**”) on whether the Proposed Whitewash Resolution is prejudicial to the interests of the shareholders of the Company who are independent for the purposes of the Proposed Whitewash Resolution (the “**Independent Shareholders**”).

This letter, which sets out our opinion and advice in respect of the Interested Person Transaction and the Proposed Whitewash Resolution, has been prepared for the use of (i) the Audit Committee in connection with the Proposed RCULS Issue as an Interested Person Transaction; and (ii) the Independent Directors in connection with the Proposed Whitewash Resolution.

2. TERMS OF REFERENCE

We have been appointed as the IFA in relation to the Proposed RCULS Issue as an Interested Person Transaction and the Proposed Whitewash Resolution.

We are not and were not involved in any aspect of the negotiations entered into by the Company in connection with the Proposed Acquisition or the Proposed RCULS Issue or in the deliberations leading up to the decision of the Directors to undertake the Proposed Acquisition or the Proposed RCULS Issue. Accordingly, we do not, by this letter, warrant the merits of the Proposed Acquisition or the Proposed RCULS Issue, other than to express an opinion on (a) whether the Proposed RCULS Issue as an Interest Person Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and the Non-Interested Shareholders, and (b) whether the Proposed Whitewash Resolution is prejudicial to the interests of the Independent Shareholders.

Our evaluation is confined to the financial terms of the Proposed RCULS Issue and the Proposed Whitewash Resolution. We have not conducted a comprehensive review of the business, operations or financial condition of the Group or ECMLIB. We have also not evaluated the strategic, legal or commercial merits or risks of the Proposed Acquisition or the future growth prospects or earnings potential of the Group or ECMLIB after the completion of the Proposed Acquisition. Accordingly, we do not express any view as to the prices at which the Shares may trade upon completion of the Proposed Acquisition or on the future growth prospects, financial position and earnings potential of the Group after the completion of the Proposed Acquisition.

In the course of our evaluation, we have held discussions with the Directors and the management of the Company (the “**Management**”) and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management, including the information provided in the Circular. The Directors (including those who may have delegated detailed supervision of the Circular) have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, (a) all material information available to them in connection with the Proposed Acquisition, the Proposed RCULS Issue and the Proposed Whitewash Resolution has been disclosed in the Circular; (b) such information is true and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Circular to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified such information or representations and accordingly cannot and do not warrant or accept responsibility for the accuracy, completeness or adequacy of these information or representations. We have however, made such reasonable enquiries and exercised such judgement as were deemed necessary in assessing the information and representations provided to us and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations.

We would like to highlight that, save as disclosed, all information relating to the Group, ECMLIB and its subsidiaries and associated companies (the “**ECMLIB Group**”), the Proposed Acquisition, the Proposed RCULS Issue and the Proposed Whitewash Resolution that we have relied upon in arriving at our opinion and advice has been obtained from the Circular, publicly available information, the Directors and/or from the Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Group or the ECMLIB Group at any time or as at 21 April 2016 (the “**Latest Practicable Date**”). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Group or the ECMLIB Group and have not been furnished with any such evaluation or appraisal.

Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as of, the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In arriving at our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice in relation to the Interested Person Transaction and the Proposed Whitewash Resolution should be considered in the context of the entirety of this letter and the Circular.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

3. THE PROPOSED ACQUISITION

3.1 Background

On 25 February 2016, the Company announced that TSSB had on 23 February 2016 entered into the SSA with the Vendors to acquire 74,194,973 ordinary shares of RM0.12 each or 25.9% of the total issued and paid-up capital of ECMLIB. The purchase consideration for each of the Subject Shares is RM0.37 (equivalent to S\$0.1282 based on an exchange rate of RM1:S\$0.3466) and the total purchase consideration for the Subject Shares is RM27,452,140 (equivalent to S\$9,514,911.73 based on an exchange rate of RM1:S\$0.3466) payable by cash at completion.

On 7 March 2016, the Company announced that pursuant to a letter of assignment dated 7 March 2016 between TPL and TSSB, TPL, a wholly owned subsidiary of the Company, had on 7 March 2016, *inter alia*, assumed the rights and obligations of TSSB under the SSA.

3.2 Information on ECMLIB

ECMLIB is a financial services company with core business segments including fund management and private equity investments. ECMLIB and its subsidiaries hold a fund management licence and currently manage a range of unit trust funds, customised portfolios, as well as private mandates for high net worth individuals, corporations, and institutional funds. ECMLIB’s investment portfolio includes the EDUC8 Group Sdn Bhd (with underlying holdings in Epsom College Malaysia) and TYK Capital Sdn Bhd, with the former providing private education and the latter involving the provision of precision engineering services.

As at the Latest Practicable Date, the Group holds an effective percentage of interest of 38.1% and 18.9% in EDUC8 Group Sdn Bhd and TYK Capital Sdn Bhd respectively.

ECMLIB and its subsidiaries had been profitable in the 3 most recently completed financial years, recording profit after tax of RM12.3 million, RM28.2 million and RM11.2 million in the financial years ended 31 January 2014, 2015 and 2016 respectively.

Mr LKO, a director and controlling shareholder of the Company, is also a director and substantial shareholder of ECMLIB. Mr LKO, together with his wife, Ms QSL, hold 24.4% of the issued share capital of ECMLIB.

3.3 Purchase Consideration

The Purchase Consideration of RM0.37 per Subject Share is at a 12.1% premium to ECMLIB's last traded price of RM0.33 as at the date of the SSA (i.e. 23 February 2016). The table below also sets out the implied premium / discount that the Purchase Consideration represents relative to the volume weighted average price ("VWAP") of ECMLIB over a one month, 3 month and 6 month period as at the date of the SSA (i.e. 23 February 2016).

	ECMLIB Share Price (RM)	Implied Premium / (Discount) represented by RM0.37 per Subject Share
1 Month VWAP	0.3187	16.1%
3 Month VWAP	0.3799	(2.6%)
6 Month VWAP	0.4217	(12.3%)

The Vendors for the Proposed Acquisition are 4 independent third parties and the Purchase Consideration was negotiated at arms' length and concluded on a willing-buyer willing-seller basis and after taking into consideration the then current traded share price of ECMLIB and its last reported net asset value, more particularly set out in section 2.7 of the Circular.

3.4 Conditions precedent

The completion of the Proposed Acquisition will be conditional upon, *inter alia*, the resolutions being passed at a general meeting of the Company approving (i) the issuance of the RCULS of an aggregate value up to S\$10 million by the Company to Mr LKO to raise proceeds to satisfy the Purchase Consideration and the Proposed Acquisition on the terms and conditions contained in the SSA and (ii) all regulatory approvals being obtained for the issuance of the RCULS by the Company (the "SSA Conditions Precedent").

In the event that the SSA Conditions Precedent cannot be met by 31 May 2016 (the "Stop Date"), TPL shall be obliged to cause and procure a new purchaser to carry on with the purchase of the Subject Shares in accordance with the terms and conditions of the SSA.

Further details on the conditions precedent and other principal terms and conditions of the SSA are set out in section 2.5 of the Circular.

3.5 Potential Mandatory General Offer of ECMLIB

Pursuant to the Malaysian Code on Take-Overs and Mergers, 2010, TPL may be obliged to undertake a mandatory general offer ("ECMLIB MGO") to acquire all the remaining shares in ECMLIB not already owned by TPL and Mr LKO, if, *inter alia*, TPL and Mr LKO are deemed parties acting in concert. In this respect, the Company has stated that it has no current intention to own ECMLIB beyond the currently contemplated investment stake represented by the Proposed Acquisition.

Mr LKO has on 23 February 2016 given a written undertaking (the “**ECMLIB MGO Undertaking**”) to the Company to undertake that in the event the SSA becomes unconditional and subject to regulatory approval, he shall undertake the entire ECMLIB MGO in his own capacity or together with his nominees in accordance with the provisions of the Malaysian Code on Take-Overs and Mergers, 2010.

3.6 Rationale for the Proposed Acquisition

The rationale of the Proposed Acquisition is set out in section 2.7 of the Circular and Shareholders are advised to read the information carefully.

3.7 Other information on the Proposed Acquisition

Please refer to section 3 of the Circular for further information on the Proposed Acquisition.

4. THE PROPOSED RCULS ISSUE

4.1 Background

Mr LKO has by a letter of undertaking dated 23 February 2016 issued to the Company (the “**Undertaking Letter**”) agreed that upon satisfaction of the SSA Conditions Precedent, Mr LKO shall subscribe for S\$10 million in aggregate principal amount of redeemable convertible unsecured loan stocks.

In connection with the foregoing, the Company had on 19 April 2016 announced that Mr LKO has entered into the RCULS Subscription Agreement with the Company on 19 April 2016 pursuant to which Mr LKO shall subscribe for 0.5% redeemable convertible unsecured loan stocks due 2021, each with a principal amount of S\$100,000 and amounting in aggregate to a principal amount of S\$10,000,000. The RCULS Subscription Agreement is subject to, *inter alia*, the approval of the Shareholders. A summary of the terms and conditions of the RCULS and the RCULS Subscription Agreement are set out in sections 3.7 and 3.8 of the Circular respectively.

The RCULS Subscription Agreement and the Undertaking Letter were negotiated at arms’ length and concluded on a willing-buyer willing-seller basis and after taking into consideration, *inter alia*, the traded Share price of the Company prior to the signing of the Undertaking Letter.

The Company and Mr LKO had on 29 April 2016 entered into a supplemental agreement (the “**Supplemental Agreement**”) in relation to the RCULS Subscription Agreement to, *inter alia*, further clarify that the Interest due under the RCULS shall be accrued on a daily basis (without compounding) instead of an annual basis. For the avoidance of doubt, notwithstanding the Supplemental Agreement, the maximum Interest that may accrue under the RCULS will remain at S\$250,000.

4.2 Salient terms of the RCULS

(a) Status of RCULS, Conversion Shares and Interest Shares

The RCULS constitute (a) direct, unconditional, unsubordinated and unsecured obligations of the Company, rank *pari passu* and rateably without any preference among themselves, and, subject as mentioned above and save as otherwise provided under any applicable law or regulations, equally with all other unsecured obligations (other than subordinated obligations, if any) of the Company from time to time outstanding, and (b) valid and binding legal obligations of the Company to pay to Mr LKO, the sums represented thereby.

The RCULS will not be listed on the SGX-ST.

The Conversion Shares and Interest Shares, when allotted and issued on conversion of the RCULS or Interest (as the case may be) will, with effect from the relevant date the relevant Conversion Shares or Interest Shares are credited to Mr LKO’s nominated securities account or Mr LKO or his nominee is registered as such in the Company’s register of members (the “**Registration Date**”),

rank *pari passu* in all respects with the other Shares then outstanding, except for any dividends, rights, allotments or other distributions, the record date for which is prior to the relevant Registration Date.

(b) Conversion Right

Any RCULS may be converted into, validly allotted and issued, fully-paid and unencumbered Shares with all rights attached, at the option of the holder thereof, at any time, from and including the respective dates on which they are issued and registered in accordance with the RCULS Subscription Agreement up to the close of business (at the place where the RCULS is deposited for conversion, namely, Singapore) on the day falling one month prior to the Maturity Date (the “**Conversion Period**”). “**Maturity Date**” means 60 months from the date of issue of the RCULS.

The number of Shares to which a RCULS Holder is entitled on conversion of any RCULS or Interest shall be determined by dividing the aggregate principal amount of the RCULS or Interest (as the case may be) to be converted by the Conversion Price, determined as hereinafter provided, in effect on the relevant Conversion Date (as defined below). Fractions of a Share will not be issued on conversion of the RCULS or Interest and no adjustment or cash payment will be made in respect thereof.

The delivery of Shares upon the exercise of the conversion rights under these Conditions shall be effected by crediting the securities account designated by Mr LKO. Mr LKO shall be entitled at all times to elect, in his sole and absolute discretion, to have some or all of the Conversion Shares and/or the Interest Shares delivered to (i) Mr LKO, (ii) Ms QSL, (iii) an entity or trust wholly owned or controlled by Mr LKO and/or Ms QSL or (iv) a combination of all or any of the foregoing persons (the “**Nomination Provision**”). As at the Latest Practicable Date, Mr LKO has indicated that he intends to limit the exercise of the Nomination Provision to (a) himself and/or (b) a company wholly owned and controlled by him and/or (c) himself and Ms QSL jointly.

(c) Conversion Price

The price at which each Share shall be issued upon conversion of the RCULS or the Interest is S\$0.13 (subject to the adjustments provided in the Conditions). The Conversion Price of S\$0.13 represents a (i) 26.2% premium above the VWAP of S\$0.103 per Share based on trades done on the Catalist board of the SGX-ST on 17 February 2016 (being the last full market day preceding the date of the SSA on which the Shares were traded on the Catalist Board of the SGX-ST); and (ii) 31.3% premium above the VWAP of the Shares of S\$0.099 per Share based on trades done on the Catalist board of the SGX-ST on 19 April 2016 (being the full market day on which the RCULS Subscription Agreement was signed).

(d) Interest

The RCULS will bear interest at the rate of 0.5% per annum on the principal amount of the RCULS. Interest shall accrue on a daily basis (without compounding) and is payable on the Maturity Date. Each RCULS shall cease to bear Interest (a) on conversion into Shares (without prejudice to Interest accrued prior to the conversion date), or (b) from the due date for redemption.

The Interest may, at the discretion of Mr LKO, be satisfied fully either in (i) cash or (ii) through the issue and allotment of the Interest Shares by the Company at the discretion of Mr LKO.

If Mr LKO elects to receive cash in satisfaction of the Interest, the Interest (including interest on converted and unconverted RCULS) shall only be payable on the Maturity Date.

If Mr LKO elects to receive Shares in lieu of cash in satisfaction of the Interest accrued on any RCULS (i) in the case of any RCULS which is to be converted prior to the Maturity Date, such election must be notified to the Company in a conversion notice and (ii) in all other cases, such election shall be notified to the Company by no later than the expiry of the Conversion Period.

(e) Redemption Right

The RCULS which are not converted into Conversion Shares by Mr LKO on or prior to the Maturity Date shall be redeemed by the Company at 100% of the principal amount of the RCULS together with the Interest. All RCULS which are redeemed or converted will forthwith be cancelled by the Company and may not be reissued or resold.

Please refer to section 3.8 of the Circular for more information on the terms and conditions of the RCULS.

4.3 Conditions precedent

Mr LKO shall not be obliged to subscribe and pay for the RCULS unless the conditions precedent of the RCULS Subscription Agreement have been satisfied on or before 31 May 2016. The conditions precedent of the RCULS Subscription Agreement include the following:

- (a) the approval of Shareholders obtained at a general meeting of the Company for (i) the Proposed Whitewash Resolution in respect of, and (ii) the offer or sale, or invitation for subscription or purchase, or the issue, of the RCULS, the allotment and issue of, the Conversion Shares and the Interest Shares upon the exercise of the conversion rights in respect of the RCULS and the Interest and all other matters in relation thereto and in connection therewith shall have been obtained, and such approval shall not have been amended, withdrawn, revoked or cancelled on or before the fifth business day immediately after the last of the conditions precedent is fulfilled or waived ("**Closing Date**");
- (b) Mr LKO and/or his concert parties obtaining the Whitewash Waiver from the SIC in respect of the issue of the Conversion Shares and the Interest Shares; and
- (c) all the Approvals for the transactions contemplated under the RCULS Subscription Agreement shall have been duly obtained, and such Approvals shall not have been amended, withdrawn, revoked or cancelled and, where any of the Approvals are obtained subject to any conditions, such conditions being acceptable to Mr LKO, and to the extent that any such conditions are required to be fulfilled on or before the Closing Date, they are fulfilled.

"**Approvals**" refer to all necessary approvals and/or consents (including but not limited to the relevant listing and quotation notice by the SGX-ST) of all requisite regulatory authorities (including the SGX-ST) in respect of (i) the offer or sale, or invitation for subscription or purchase or issue of the RCULS, (ii) the allotment and issue of the Conversion Shares and the Interest Shares upon the exercise of the conversion rights in respect of the RCULS on the terms of the RCULS Subscription Agreement and the Conditions, and (iii) the listing of and quotation for the Conversion Shares and the Interest Shares on the SGX-ST.

As at the Latest Practicable Date, only the condition set out in paragraph 4.3(b) above has been fulfilled. Please refer to section 14 of the Circular for further details of the application for the listing and quotation notice of the Conversion Shares and the Interest Shares.

Please refer to section 3.7 of the Circular for further information on salient terms of the RCULS Subscription Agreement.

4.4 Rationale of the Proposed RCULS Issue and the Use of Proceeds

The rationale of the Proposed RCULS Issue and the use of proceeds from the Proposed RCULS Issue is set out in sections 3.3 and 3.4 of the Circular and Shareholders are advised to read the information carefully.

4.5 Other information on the Proposed RCULS Issue

Please refer to section 3 of the Circular for further information on the Proposed RCULS Issue.

5. PROPOSED RCULS ISSUE AS AN INTERESTED PERSON TRANSACTION

Rule 906 of the Listing Manual provides that an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than, *inter alia*, 5% of the Group's latest audited NTA.

Mr LKO, being a director and controlling shareholder of the Company is defined as an "Interested Person" of the Company whilst the Company is an "Entity at Risk" under Chapter 9 of the Catalist Rules. Accordingly, the issue of the RCULS to Mr LKO constitutes an "Interested Person Transaction" within the ambit of Chapter 9 of the Catalist Rules.

As the aggregate value of the Conversion Shares and the Interest Shares to be issued upon the conversion of the RCULS and the Interest of S\$10.25 million (comprising the principal amount of S\$10 million and interest payable of S\$0.25 million) represents approximately 32.7% of the Group's latest audited NTA of approximately S\$31.3 million as at 31 December 2015 which exceeds 5% of the Group's latest audited NTA, the Company will be seeking the approval of Shareholders for the Proposed RCULS Issue pursuant to Rule 906 of the Catalist Rules.

6. THE PROPOSED WHITEWASH RESOLUTION

6.1 Mandatory Offer Requirement under the Code

Under Rule 14 of the Code, (i) any person who acquires, whether by a series of transactions over a period of time or not, shares which, taken together with shares held or acquired by persons acting in concert with him, carry 30% or more of the voting rights in a company; or (ii) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires in any period of 6 months additional shares carrying more than 1% of the voting rights, is required to make a mandatory general offer, for all shares in the company concerned which he does not already own, control or has agreed to acquire.

As at the Latest Practicable Date, Mr LKO and the Controlling Shareholder Concert Group holds an aggregate of 83,270,535 Shares representing approximately 50.3% of the voting rights in the Company. Mr LKO is deemed interested in 68,415,627 Shares representing approximately 41.4% of the voting rights of the Company.

Under Note 5 on Rule 14.1 of the Code, a member of a group acting in concert may also be required to make a mandatory general offer where his shareholding increases to 30% or more, or if he already holds between 30% and 50%, by more than 1% in any 6 months period, notwithstanding that the shareholding of such group is already more than 50%.

The conversion of the RCULS and/or Interest into the Conversion Shares and/or the Interest Shares may result in Mr LKO increasing his shareholding interest in the Company by 1% or more within a period of 6 months.

In view of the above, an application was made on behalf of the Company and Mr LKO to, *inter alia*, obtain a waiver from the SIC of the obligation for Mr LKO and his concert parties to make a mandatory general offer under Rule 14 of the Code in the event such obligation is incurred resulting from the acquisition of the Conversion Shares and/or the Interest Shares.

6.2 Confirmation from the SIC

The SIC had by way of a letter dated 11 April 2016 (the “**First SIC Letter**”), ruled that Mr LKO will incur an obligation to make a general offer under Rule 14 of the Code by reason of the acquisition of the Conversion Shares and/or the Interest Shares and waived the obligation for Mr LKO to make a mandatory general offer pursuant to Rule 14 of the Code as a result of his acquisition of the Conversion Shares and the Interest Shares pursuant to the terms of the RCULS, subject to certain conditions. Further details on the conditions are set out in section 6.2 of the Circular.

It was also stated in the First SIC Letter that the Whitewash Waiver may be invalidated if there are any purchases of voting rights by Mr LKO, the Controlling Shareholder Concert Group and parties acting in concert with them (collectively, the “**Relevant Parties**”) prior to the acquisition of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS (the “**Condition**”).

Subsequent to the issue of the First SIC Letter, an application was made on the behalf of the Company and Mr LKO to seek certain confirmations from SIC in relation to the Condition and the Whitewash Waiver, given that with the proposed grant of Options (as defined in the Circular) and Awards (as defined in the Circular) to Mr LKO, Mr Gareth Lim and Ms LKF (as further set out in section 11 of the Circular), Shares may be acquired by such persons pursuant to the exercise of such Options and/or vesting of such Awards within period(s) falling prior to the acquisition of the Conversion Shares and/or the Interest Shares pursuant to the terms of the RCULS.

In connection with the above, the SIC had by way of a letter dated 27 April 2016 (the “**Second SIC Letter**”) confirmed that:

- (a) (i) notwithstanding the Condition, the Relevant Parties may acquire Shares pursuant to the Plato ESOS 2016 (as defined in the Circular) and/or the Plato PSP 2016 (as defined in the Circular) after the Proposed Whitewash Resolution is approved, provided that only new Shares are acquired while the Whitewash Waiver remains valid; and (ii) the Whitewash Waiver will only apply to the conversion of such number of Conversion Shares and/or Interest Shares that, when added to the acquisition of new Shares pursuant to the Plato ESOS 2016 and/or the Plato PSP 2016, do not exceed the total number of Conversion Shares and/or Interest Shares originally approved by the Shareholders in respect of the Proposed Whitewash Resolution;
- (b) notwithstanding the Condition, Mr LKO is free to purchase any number of existing Shares after he holds over 49% of the voting rights of the Company as a result of the acquisition of Conversion Shares and/or Interest Shares on the terms of the RCULS and the acquisition of new Shares pursuant to the Plato ESOS 2016 and/or the Plato PSP 2016. However, if Mr LKO’s interest in the Company subsequently falls below 49% for any reason following such purchase, he will not be able to rely on the Whitewash Waiver for any further acquisition of Shares that triggers an obligation to make a general offer under Rule 14 of the Code; and
- (c) the inclusion of the Nomination Provision in the terms of the Proposed RCULS Issue will not affect the rulings given by the SIC in the First SIC Letter or in the Second SIC Letter. However, the SIC should be consulted in advance on the validity of the Whitewash Waiver if:
 - (i) the Nomination Provision will be exercised in favour of persons other than Mr LKO, Mr LKO and his wife jointly, and/or a company that is wholly-owned and controlled by Mr LKO; or
 - (ii) the exercise of the Nomination Provision will result in a significant change in the nature of Mr LKO’s concert party group.

6.3 The Proposed Whitewash Resolution

The Independent Shareholders are requested to vote, by way of a poll, on the Proposed Whitewash Resolution to waive their rights to receive a mandatory general offer from Mr LKO for the remaining Shares not already owned or controlled by him and his concert parties under Rule 14 of the Code.

The Independent Shareholders should note that:

- (a) as highlighted in section 6.3 of the Circular, the acquisition of the Conversion Shares and the Interest Shares by the Relevant Parties pursuant to the terms of the RCULS may result in Mr LKO holding Shares carrying over 49% of the voting rights of the Company based on the enlarged issued share capital of the Company, and Mr LKO will as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a mandatory general offer for the Company;
- (b) by voting for the Proposed Whitewash Resolution, they will be waiving their rights to receive a mandatory general offer for their Shares from Mr LKO at the highest price paid or agreed to be paid by him and his concert parties for the Shares in the past 6 months preceding the commencement of the offer, which they would have otherwise been obliged to make for the Shares in accordance with Rule 14 of the Code;
- (c) by voting for the Proposed Whitewash Resolution, Shareholders could be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilutive effect of the RCULS to be issued; and
- (d) the Proposed Acquisition and the Proposed RCULS Issue are conditional upon them voting in favour of the Proposed Whitewash Resolution. In view of this, in the event that the Proposed Whitewash Resolution is not passed by the Independent Shareholders, the Proposed Acquisition and the Proposed RCULS Issue would not take place.

7. EVALUATION OF THE INTERESTED PERSON TRANSACTION AND THE PROPOSED WHITEWASH RESOLUTION

In our evaluation of the Proposed RCULS Issue as an Interested Person Transaction and the Proposed Whitewash Resolution, we have reviewed and examined the following factors which have a significant bearing on our assessment:

- (a) the rationale of the Proposed RCULS Issue and the use of proceeds;
- (b) the reasonableness of the terms of the RCULS;
- (c) the historical financial performance and condition of the Group;
- (d) the financial effects of the Proposed Acquisition and the Proposed RCULS Issue on the Group; and
- (e) other relevant considerations.

7.1 Rationale of the Proposed RCULS Issue and the use of proceeds

We note that the Proposed RCULS Issue is undertaken in connection with the Proposed Acquisition. The rationale of the Proposed Acquisition and the Proposed RCULS Issue and the use of proceeds from the Proposed RCULS Issue are set out in sections 2.7, 3.3 and 3.4 of the Circular and have been reproduced in italics below:

Proposed Acquisition

“The Proposed Acquisition offers the Company an opportunity to consolidate and enhance its investments in the private education and precision engineering sectors. In addition, ECMLIB’s fund management license offers synergies and relevance relative to the future direction of the Company and the Group. The Company also believes that the Proposed Acquisition is attractively priced due to the transaction price of RM0.37 (equivalent to S\$0.1282 based on the Exchange Rate) per Subject Share representing a discount of 22.9% to ECMLIB’s audited consolidated net asset value for the financial year ended 31 January 2016 of RM0.48 (equivalent to S\$0.1664 based on the Exchange Rate).

Accordingly, the Board is of the view that the Proposed Acquisition is in the best interest of the Group.”

We also note that:

- (a) the ECMLIB Group had been profitable in the 3 most recently completed financial years, recording profit attributable to owners of the Company of RM12.3 million, RM28.2 million and RM11.2 million in the financial years ended 31 January 2014, 2015 and 2016 respectively;
- (b) the ECMLIB Group had undertaken a capital reduction exercise with a total value of RM285.7 million (or equivalent to RM0.997 per ECMLIB Share as defined below) which was completed in December 2015, comprising approximately RM177.7 million in cash and RM108.0 million in the form of a distribution-in-specie of ordinary shares and/or warrants of Eastern & Oriental Berhad, a company listed on the Bursa. Based on the latest audited consolidated financial statements of the ECMLIB Group as at 31 January 2016, the audited NAV of the ECMLIB Group amounted to RM137.3 million, or RM0.48 per Share (based on 286,592,000 issued Shares as at 31 January 2016). Accordingly, the Purchase Consideration of RM0.37 for each Subject Share represents a discount of RM0.11 (or 22.9%) to the audited NAV per Share of RM0.48 as at 31 January 2016 of the ECMLIB Group; and
- (c) the Purchase Consideration of RM0.37 for each Subject Share represents (i) a discount of 13.7%, 12.3% and 2.6% to the VWAP of the shares in ECMLIB (the “**ECMLIB Shares**”) for the 12-, 6- and 3-month period prior and up to the Last Market Day prior to the Announcement respectively, and a premium of 16.1% over the VWAP of the ECMLIB Shares for the one-month period prior and up to the Last Market Day prior to the Announcement; and (ii) a premium of 12.1% over the closing price of the ECMLIB Shares of RM0.33 on 23 February 2016, being the last Market Day on which the Shares were traded prior to the Announcement.

Shareholders should note that past financial performance and trading performance of the ECMLIB Shares should not be relied upon as an indication or a promise of its future financial performance or trading performance.

Proposed RCULS Issue and Use of Proceeds

“The main purpose of the Proposed RCULS Issue is to raise funds for the Proposed Acquisition.

Under the terms of the SSA, the parties have agreed that the Proposed Acquisition must be completed by the Stop Date, failing which, TPL and the Company, by virtue of the Letter of Guarantee, shall be obliged to cause and procure a new purchaser to carry on with the purchase of the Subject Shares in accordance with the terms and conditions of the SSA.

In view of the foregoing, the parties to the SSA had contemplated that the Company would undertake the Proposed RCULS Issue to fund the Purchase Consideration due for the purchase of the Subject Shares, and having considered various options, the Board is of the view that the Proposed RCULS Issue is the most expeditious and cost efficient way towards raising the monies required to complete the Proposed Acquisition.

The proceeds from the Proposed RCULS Issue shall be utilised as follows:

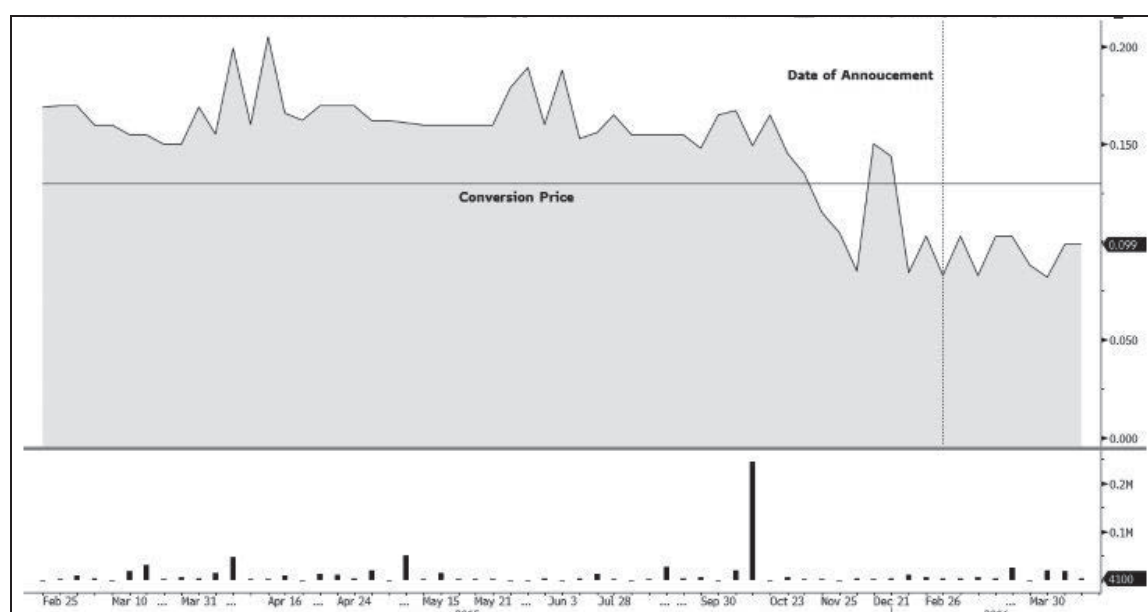
- (a) 95.1% to pay the Purchase Consideration for the Proposed Acquisition; and
- (b) 4.9% to pay for expenses in connection with the Proposed Acquisition and the Proposed RCULS Issue and for general working capital purposes.”

7.2 Reasonableness of the terms of the RCULS

Based on the terms of the RCULS, the RCULS can be converted at the Conversion Price of S\$0.13 for each new Share. Accordingly, we have considered the following in assessing the reasonableness of the Conversion Price:

7.2.1 Market quotation of the Shares

The trend of the daily closing prices of the Shares for the period commencing 12 months prior and up to 23 February 2016 (being the last Market Day prior to the Announcement) (the “**Last Market Day**”) and ending on the Latest Practicable Date is set out in the chart below:



Source: Bloomberg L.P.

A tabulation of the VWAP of the Shares over periods of one, 3, 6 and 12 month(s) prior and up to the Last Market Day and for the period after the Announcement and up to the Latest Practicable Date is set out as follows:

	Lowest closing price (S\$)	Highest closing price (S\$)	VWAP (S\$)	(Discount)/ Premium of Conversion Price (to)/over VWAP (%)
Periods up to the Last Market Day				
Last 12 months	0.084	0.205	0.153	(15.0)
Last 6 months	0.084	0.167	0.146	(11.0)
Last 3 months	0.084	0.150	0.099	31.3
Last one month	0.084	0.103	0.090	44.4

	Lowest closing price (S\$)	Highest closing price (S\$)	VWAP (S\$)	(Discount)/ Premium of Conversion Price (to)/over VWAP (%)
Last Market Day prior to the Announcement ⁽¹⁾	0.103	0.103	0.103	26.2
Period after the Announcement and up to the Latest Practicable Date				
After the Announcement and up to the Latest Practicable Date	0.082	0.103	0.088	47.7
Latest Practicable Date ⁽²⁾	0.099	0.099	0.099	31.3

Source: Bloomberg L.P.

Notes:

- (1) This refers to the last Market Day on which the Shares were traded prior to the Announcement, being 17 February 2016, before the trading halt of the Shares at 8.30 a.m. on 24 February 2016.
- (2) This refers to the last Market Day on which the Shares were traded prior and up to the Latest Practicable Date, being 20 April 2016.

We note the following with regard to the periods up to the Last Market Day prior to the Announcement:

- (a) during the 12-month period up to the Last Market Day prior to the Announcement, the closing prices of the Shares ranged between a low of S\$0.084 (on 12 February 2016) and a high of S\$0.205 (on 14 April 2015). The Conversion Price represents (i) a significant premium of S\$0.046 (or 54.8%) over the lowest closing price of the Shares during the aforementioned 12-month period; and (ii) a discount of S\$0.075 (or 36.6%) to the highest closing price of the Shares during the aforementioned 12-month period;
- (b) the Conversion Price represents (i) a discount of 15.0% and 11.0% to the VWAP of the Shares for the 12- and 6-month period prior and up to the Last Market Day prior to the Announcement respectively; and (ii) a premium of 31.3% and 44.4% over the VWAP of the Shares for the 3- and one-month period prior and up to the Last Market Day prior to the Announcement respectively; and
- (c) the Conversion Price represents a premium of 26.2% over the closing price of the Shares of S\$0.103 on 17 February 2016, being the last Market Day on which the Shares were traded prior to the Announcement and before the trading halt of the Shares at 8.30 a.m. on 24 February 2015.

We note the following with regard to the period after the Announcement and up to the Latest Practicable Date:

- (a) the closing prices of the Shares ranged between a low of S\$0.082 (on 30 March 2016) and a high of S\$0.103 (on 7, 11 and 15 March 2016). The Conversion Price represents a significant premium of S\$0.048 (or 58.5%) over the lowest closing price of the Shares and a premium of S\$0.027 (or 26.2%) over the highest closing price of the Shares during the aforementioned period;
- (b) the Conversion Price represents a significant premium of S\$0.042 (or 47.7%) over the VWAP of the Shares of S\$0.088 for the aforementioned period; and
- (c) the Conversion Price represents a significant premium of S\$0.031 (or 31.3%) over the closing price of the Shares of S\$0.099 as at the Latest Practicable Date.

7.2.2 Comparison with the NAV of the Group as at 31 December 2015

Book NAV of the Group

Based on the latest audited consolidated financial statements of the Group as at 31 December 2015, the audited NAV of the Group amounted to S\$29.0 million, or S\$0.175 per Share (based on 165,451,344 issued Shares as at 31 December 2015). Accordingly, the Conversion Price represents a discount of S\$0.045 (or 25.7%) to the audited NAV per Share of S\$0.175 as at 31 December 2015.

Adjusted NAV of the Group

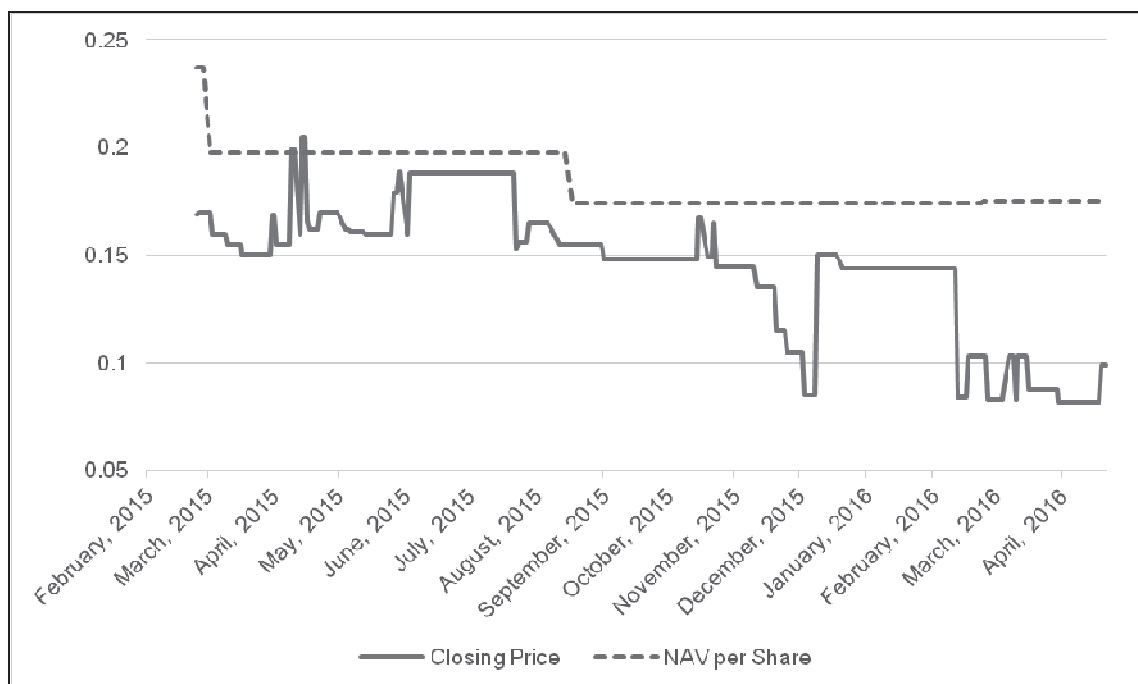
On 10 February 2016, the Company announced the disposal (the “**Disposal**”) of the property known as 609 Swanston Street, Melbourne Victoria and its hotel business indirectly owned by TP Real Estate Holdings Pte. Ltd., a joint venture company in which the Company has a 50% effective interest vide its 100% subsidiaries TP Services (Melbourne) Pty Limited and TP Melbourne Pty Limited as trustee for the TP Hotel (Melbourne) Trust. The transaction has since been completed as at 11 March 2016. The net consideration from the Disposal to the Group amounted to approximately A\$13.1 million (equivalent to S\$13.2¹ million) and is expected to result in a gain of approximately A\$6.8 million (equivalent to approximately S\$6.9¹ million) to the Company. For illustration purposes, adjusting for such gain (and without accounting for any tax impact), the NAV of the Group as at 31 December 2015 would increase from S\$29.0 million to S\$35.9 million (the “**Adjusted NAV**”), and the NAV per Share would increase from S\$0.175 to S\$0.217 based on 165,451,344 issued Shares as at 31 December 2015. Accordingly, the Conversion Price would represent a discount of S\$0.087 (or 40.1%) to the Adjusted NAV per Share of S\$0.217 as at 31 December 2015.

The Directors have confirmed that to the best of their knowledge and belief, save for the above, (a) they are not aware of any circumstances which may cause the NAV of the Group as at the Latest Practicable Date to be materially different from that recorded in the audited balance sheet of the Group as at 31 December 2015; (b) save for the Disposal, there have been no material acquisitions or disposals of assets by the Group since 31 December 2015 and up to the Latest Practicable Date; and (c) there are no other contingent liabilities, bad or doubtful debts or impairment losses which are likely to have a material impact on the audited NAV of the Group as at 31 December 2015.

Historical closing Share prices relative to the historical book NAV per Share

The graphical representation of the historical market closing prices of the Shares *vis-à-vis* the historical book NAV per Share of the Group (based on the book NAV per Share as announced by the Company in its unaudited financial statements on a half yearly basis and the FY2014 and FY2015 annual reports) for the 12-month period prior to the Announcement and up to the Latest Practicable Date is set out as follows:

¹ Based on a conversion rate of A\$1.00: S\$1.00867



Sources: Bloomberg L.P., the Company's FY2014 and FY2015 annual reports and the announcements for the unaudited half yearly financial statements

Based on the above, we observe that the Shares have generally been trading below the historical book NAV per Share of the Group during the 12-month period prior to the Announcement and up to the Latest Practicable Date. The premium/discount of the historical closing prices of the Shares to the corresponding NAV per Share during the aforementioned period ranged between a premium of 3.8% and a discount of 53.2%. The discounts of 25.7% and 40.1% of the Conversion Price to the audited NAV per Share of S\$0.175 as at 31 December 2015 and the Adjusted NAV per Share of \$0.217 as at 31 December 2015 are within the range of the premium/discount of the historical closing prices of the Shares to the corresponding NAV per Share during the aforementioned period of between a premium of 3.8% and a discount of 53.2%.

7.2.3 Comparison with precedent issues of convertible loans

In assessing the reasonableness of the financial terms of the RCULS, we have compared the financial terms of the RCULS with those of selected recent non-listed convertible or exchangeable loans or bonds (the "Precedent Convertible Loan Transactions") issued by companies listed on the SGX-ST, which were announced in the one-year period prior to the date of the Announcement and which had been completed as at the Latest Practicable Date (the "Relevant Period").

Shareholders should note that the circumstances and terms relating to the Precedent Convertible Loan Transactions are unique and might not be identical to the RCULS, and are dependent on factors such as the financial performance and position of the companies, the volatility and trading liquidity of the shares of the companies, and the market sentiments prevailing at the time of the relevant Precedent Convertible Loan Transactions.

We wish to highlight that the Precedent Convertible Loan Transactions set out below are by no means exhaustive. In addition, the Group is not directly comparable to the companies involved in the Precedent Convertible Loan Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, accounting policies, financial performance, operating and financial leverage, asset base, risk profile, track record, future prospects and other relevant criteria. Any comparison merely serves as an illustrative guide and each of the Precedent Convertible Loan Transactions must be judged on its own commercial and financial merits. Accordingly, any comparison made herein is strictly limited in scope.

Company	Date of announcement	Principal sum (\$'000)	Tenure (years)	Security	Conversion Price (\$)	Premium of conversion price over VMAP ⁽¹⁾ prior to announcement (%)	Conversion price-to-NTA ratio (times)	Coupon/Interest rate per annum (%)	Redemption Terms on Maturity														
Asia Fashion Holdings Limited	5 March 2015	S\$2,660	2	Unsecured	0.07	34.9	47/94.5	7.0	100% of principal sum														
Beng Kuang Marine Limited	25 March 2015	S\$5,000	4	Unsecured	0.21	12.3	1.5	8.0	100% of principal sum														
Artivision Technologies Ltd.	18 April 2015	US\$4,000	2	Unsecured	0.128	34.7	14.4	15.0	100% of principal sum														
Swing Media Technology Group Limited	24 April 2015	S\$6,000	2	Unsecured	0.066	24.5	0.2	6.0	100% of principal sum														
Armarda Group Limited	30 April 2015	S\$2,256	2	Unsecured	0.006	50.0	0.5	12.0	100% of principal sum														
Xinren Aluminium Holdings Limited	29 May 2015	US\$250,000 ⁽⁶⁾	5	Secured	1.01	119.6	2.4	8.0	119% of principal sum														
MM2 Asia Ltd.	29 June 2015	S\$2,875	2	Unsecured	0.4892	112.7	5.3	10.0	100% of principal sum plus interest of 8.5% p.a. from the date of issue to maturity date														
QT Vascular Ltd.	24 July 2015	US\$13,140	2	Unsecured	0.128	7.6	3.2	8.0	100% of principal sum														
China Auto Electronics Group Limited	14 August 2015	S\$60,000	3	Unsecured	0.09	76.5	0.4	1.0	100% of principal sum														
Advance SCT Limited	25 August 2015	S\$1,500	1	Unsecured	0.001	-	1.4	6.0	100% of principal sum														
KS Energy Limited	21 September 2015	S\$7,500	1	Unsecured	0.28	2.8	0.3	6.0	105% of principal sum														
PNE Micron Holdings Ltd	30 September 2015	S\$1,900	2.5	Unsecured	0.072	94.6	1.9	8.0	100% of principal sum														
MM2 Asia Ltd.	24 February 2016	S\$5,000	3	Unsecured	0.415	2.5	8.9	2.0	100% of principal sum plus interest of 17.5% p.a. from the date of issue to maturity date														
						<table border="1"> <thead> <tr> <th>High</th> <th>Mean</th> <th>Median</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>119.6</td> <td>44.1</td> <td>34.7</td> <td>-</td> </tr> <tr> <td>47/94.5</td> <td>1.7⁽⁸⁾</td> <td>1.5⁽⁸⁾</td> <td>0.2</td> </tr> </tbody> </table>		High	Mean	Median	Low	119.6	44.1	34.7	-	47/94.5	1.7 ⁽⁸⁾	1.5 ⁽⁸⁾	0.2				
High	Mean	Median	Low																				
119.6	44.1	34.7	-																				
47/94.5	1.7 ⁽⁸⁾	1.5 ⁽⁸⁾	0.2																				
RCULS	25 February 2016	S\$10,000	5	Unsecured	0.13	26.2	0.7⁽⁴⁾/0.6⁽⁵⁾	0.5	100% of principal sum														

Source: Bloomberg L.P., annual reports, circulars and/or announcements of the respective companies and SAC Capital's computations

Notes:

- (1) VWAP is computed based on trades done on the last full market day preceding the date of the signing of the agreements of the respective companies, and is extracted from the circulars and/or announcements of the respective companies, where available.
- (2) On 27 August 2015, 4 November 2015 and 23 December 2015, Xinren Aluminium Holdings Limited issued an aggregate principal amount of US\$250,000,000 of 8.0 percent per annum convertible bonds.
- (3) For the computation of mean and median conversion price-to-NTA ratios, Asia Fashion Holdings Limited, Artivision Technologies Ltd. and MM2 Asia Ltd. (announced on 24 February 2016) have been excluded as they are outliers.
- (4) Based on the audited NAV of the Group as at 31 December 2015.
- (5) Based on the Adjusted NAV of the Group as at 31 December 2015, taking into consideration the gain from the Disposal.

We note that:

- (a) the premium of the Conversion Price over the VWAP of the Shares for trades done on the last Market Day prior to the Announcement of 26.2% is (i) within the range of the Precedent Convertible Loan Transactions of between no premium and a premium of 119.6%, (ii) higher than the corresponding premium of 6 out of 13 Precedent Convertible Loan Transactions and lower than the corresponding premium of 7 out of 13 Precedent Convertible Loan Transactions, and (iii) below the corresponding mean and median premia of 44.1% and 34.7% of the Precedent Convertible Loan Transactions respectively;
- (b) the conversion price-to-NTA ratios as implied by the Conversion Price and the audited NAV per Share as at 31 December 2015 of 0.7 times is (i) within the range of corresponding conversion price-to-NTA ratios of the Precedent Convertible Loan Transactions of between 4,794.5 times and 0.2 times, (ii) higher than the corresponding conversion price-to-NTA ratios of 4 out of 13 Precedent Convertible Loan Transactions and lower than the corresponding conversion price-to-NTA ratios of 9 out of 13 Precedent Convertible Loan Transactions, and (iii) below the mean and median price-to-NTA ratios of the Precedent Convertible Loan Transactions of 1.7 times and 1.5 times;
- (c) the conversion price-to-NTA ratios as implied by the Conversion Price and the Adjusted NAV per Share as at 31 December 2015 of 0.6 times is (i) within the range of corresponding conversion price-to-NTA ratios of the Precedent Convertible Loan Transactions of between 4,794.5 times and 0.2 times, (ii) higher than the corresponding conversion price-to-NTA ratios of 4 out of 13 Precedent Convertible Loan Transactions and lower than the corresponding conversion price-to-NTA ratios of 9 out of 13 Precedent Convertible Loan Transactions, and (iii) below the mean and median price-to-NTA ratios of the Precedent Convertible Loan Transactions of 1.7 times and 1.5 times;
- (d) the interest rate of 0.5% of the RCULS is below the range of corresponding interest rates of the Precedent Convertible Loan Transactions of between 1.0% and 15.0%. We also note the redemption terms of some of the Precedent Convertible Loan Transactions were more than 100% of the principal sum. Accordingly, the effective interest of these Precedent Convertible Loan Transactions would have been higher if these loans were redeemed at maturity; and
- (e) the payment term of the Interest of the RCULS at maturity compares favourably to the interest payment terms of the Precedent Convertible Loan Transactions which were generally on a quarterly, semi-annual or annual basis. The payment of the Interest only at maturity allows the Group to conserve cash for its operations.

7.2.4 Comparison with the Group's existing credit facilities and loans

The RCULS will bear interest at the rate of 0.5% per annum on the principal amount of the RCULS. Interest shall accrue on a daily basis (without compounding) and is payable on the Maturity Date. The interest payments can be made in cash or satisfied through the issue and allotment of the Interest Shares converted at the Conversion Price.

The following table sets out a comparison of the interest rates between the Group's existing credit facilities or borrowings and the RCULS:

Type of Borrowings	Principal Amount	Interest Rate per annum (%)	Security/Collateral
Revolving loan facility with Hong Leong Bank	RM10 million	6.62	Secured by corporate guarantee by the Company and personal guarantee by Mr LKO
Revolving loan facility with Amlslamic Bank	RM10 million	5.98-6.11	Secured by corporate guarantee by the Company and personal guarantee by Mr LKO
Loan from Vindelta Limited, a company controlled by Mr LKO	S\$802,000	2.6	Unsecured
Loan from Mr LKO	RM5 million	5.6	Unsecured
RCULS	S\$10 million	0.5	Unsecured

We note from the above table that the interest rate of the RCULS of 0.5% per annum is lower than the range of the interest rates of the Group's existing credit facilities and borrowings of between 2.6% and 6.62%. However, it should be noted that the RCULS has a conversion feature that allows the subscriber to convert the loan into ordinary shares of the Company, a feature which the other existing credit facilities and loans do not have. Accordingly, any comparison made herein is strictly limited in scope.

7.3 **Historical Financial Performance and Condition of the Group**

The salient historical financial information of the Group for the financial years ended 31 December 2013, 31 December 2014 and 31 December 2015 ("FY2013", "FY2014" and "FY2015" respectively) is set out below:

Consolidated Statement of Comprehensive Income

(S\$'000)	Audited		
	FY2013	FY2014	FY2015
Revenue	1,779	1,468	1,480
Loss before taxation	(1,250)	(7,483)	(3,956)
Net loss for the year attributable to owners of the Company	(682)	(6,125)	(3,268)

Balance Sheets

(S\$'000)	Audited		
	31 December 2013	31 December 2014	31 December 2015
Current assets	5,550	4,321	6,672
Current liabilities	8,801	8,472	8,171
Working capital	(3,251)	(4,151)	(1,499)

(S\$'000)	31 December 2013	31 December 2014	31 December 2015
Non-current assets	54,509	47,947	37,907
Non-current liabilities	9,408	9,178	5,080
Borrowings	9,751	9,650	6,587
Equity attributable to owners of the Company	38,818	32,680	28,979

Consolidated Statement of Cash Flows

(S\$'000)	← FY2013	Audited FY2014	FY2015 →
Net cash flow generated from/(used in) operating activities	1,601	(1,352)	(1,428)
Net cash flow generated from/(used in) investing activities	(2,683)	1,191	3,300
Net cash flow generated from/(used in) financing activities	1,646	(528)	855
Net increase/(decrease) in cash and cash equivalents	564	(689)	2,728
Cash and cash equivalents at end of year	3,457	2,900	5,975

Source: Company's annual reports for FY2014 and FY2015

We note the following:

- (a) revenue decreased by 17.5% from S\$1.8 million in FY2013 to S\$1.5 million in FY2014 as a result of a drop in sales of IT implementation services and lack of interest income from the provision of credit facilities. Revenue remained relatively unchanged at S\$1.5 million in FY2014 and FY2015;
- (b) net loss attributable to equity holders of the Company increased by 798.1% from S\$0.7 million in FY2013 to S\$6.1 million in FY2014, mainly due to (i) an increase in fair value loss on investment property by S\$3.9 million, and (ii) share of loss from joint venture of S\$0.6 million in FY2014 *vis-à-vis* a share of profit from joint venture of S\$3.6 million in FY2013, which were partially offset by (i) gain on disposal of available-for-sale financial assets of S\$1.0 million, and (ii) lower share of loss from associate companies by S\$1.7 million. Net loss attributable to owners of the Company decreased by 46.6% from S\$6.1 million in FY2014 to S\$3.3 million in FY2015, mainly due to (i) one time off gain of \$2.0 million relating to the disposal of the subsidiary, Plato-Straits Heritage Sdn. Bhd, (ii) share of profit from joint venture of S\$1.1 million in FY2015 *vis-à-vis* a share of loss from joint venture of S\$0.6 million in FY2014, (iii) absence of fair value loss on investment property of S\$4.7 million, and (iv) a decrease in impairment of available-for-sale financial assets by S\$0.6 million, which were partially offset by an increase in share of loss from associates by S\$4.3 million;
- (c) the Group had negative working capital ranging from S\$1.5 million to S\$4.2 million as at 31 December 2013, 31 December 2014 and 31 December 2015. Subsequent to 31 December 2015, the Group had undertaken the Disposal. Taking into account, *inter alia*, the banking facilities available to the Group and proceeds from the Disposal, the Directors are of the opinion that the working capital available to the Group is sufficient to meet its present requirements;
- (d) as at 31 December 2015, the Group's bank borrowings amounted to S\$6.6 million. In addition, loans and advances from related parties as at 31 December 2015 amounted to S\$5.1 million, of which S\$2.7 million were interest-bearing;
- (e) save for FY2013, the Group had recorded negative net cash flow from operating activities of S\$1.4 million in FY2014 and FY2015 respectively; and
- (f) as at 31 December 2015, the Group's cash and cash equivalents amounted to S\$6.0 million.

7.4 Financial Effects of the Proposed Acquisition and Proposed RCULS Issue on the Group

For illustration purposes only, the pro forma financial effects of the Proposed Acquisition and the Proposed RCULS Issue on the Group, based on the audited consolidated financial statements of the Group for FY2015, are set out in section 5 of the Circular. Shareholders are advised to read the information carefully, including the bases and assumptions set out therein.

We note the following:

(a) Loss per Share (“LPS”)

The LPS of the Group would decrease from 1.97 cents in FY2015 to 1.40 cents after the Proposed Acquisition and the Proposed RCULS Issue and to 0.95 cents assuming full conversion of the RCULS and the Interest.

(b) Net tangible assets (“NTA”) per Share

The NTA per Share of the Group would increase from 18.93 cents as at 31 December 2015 to 19.54 cents after the Proposed Acquisition and the Proposed RCULS Issue and decrease to 17.33 cents assuming full conversion of the RCULS and the Interest.

Shareholders should note that the financial effects analysis does not purport to be an indication or a projection or an estimate of the financial results and financial position of the Group after the completion of the Proposed Acquisition and the Proposed RCULS Issue and full conversion of the RCULS and the Interest.

7.5 Other Relevant Considerations

7.5.1 Dilution impact to the Independent Shareholders

As at the Latest Practicable Date, Mr LKO and the Controlling Shareholder Concert Group hold in aggregate 83,270,535 Shares representing 50.3% of the issued share capital of the Company. The shareholding interests of Mr LKO and the Controlling Shareholder Concert Group as at the Latest Practicable Date and after the issue of (a) the Conversion Shares, and (b) the Conversion Shares and the Interest Shares are set out as follows:

	As at the Latest Practicable Date		Upon full conversion of RCULS		Upon full conversion of RCULS and Interest ⁽¹⁾	
	Number of Shares	(%)	Number of Shares	(%)	Number of Shares	(%)
<u>Mr LKO and the Controlling Shareholder Concert Group</u>						
Mr LKO and Ms QSL	68,415,627	41.4	145,338,703	60.0	147,261,779	60.3
Ms LKF	8,175,795	4.9	8,175,795	3.4	8,175,795	3.3
Mr LKW	6,679,113	4.0	6,679,113	2.8	6,679,113	2.7
Mr LKO and the Controlling Shareholder Concert Group	83,270,535	50.3	160,193,611	66.1	162,116,687	66.4
<u>Other substantial shareholders</u>						
Datuk Kamarudin Bin Meranun	12,325,000	7.4	12,325,000	5.1	12,325,000	5.0
Tan Sri Dr. Anthony Francis Fernandes	12,325,000	7.4	12,325,000	5.1	12,325,000	5.0
Ng Kok Hin	10,578,675	6.4	10,578,675	4.4	10,578,675	4.3
Other Independent Shareholders	46,952,134	28.4	46,952,134	19.4	46,952,134	19.2
Total	165,451,344	100.0	242,374,420	100.0	244,297,496	100.0

Note:

- (1) In the event that Mr LKO elects to receive shares in lieu of cash for the interest payments. Based on the Interest rate of 0.5% per annum and the Conversion Price of S\$0.13, the maximum number of Interest Shares issued is 1,923,076 Shares.

In the event that the RCULS are converted in full, the aggregate shareholding interest of the Mr LKO and the Controlling Shareholder Concert Group would increase by 15.8% from approximately 50.3% as at the Latest Practicable Date to approximately 66.1% upon issue of the Conversion Shares. Correspondingly, the aggregate shareholding interest of the Independent Shareholders would be diluted by 15.8% from approximately 49.7% to approximately 33.9%.

In the event that the RCULS are converted in full and Mr LKO elects to receive shares in lieu of cash for interest payments, the aggregate shareholding interests of Mr LKO and the Controlling Shareholder Concert Group would increase by 16.1% from approximately 50.3% as at the Latest Practicable Date to approximately 66.4% upon issue of the Conversion Shares and the Interest Shares. Correspondingly, the aggregate interest of the Independent Shareholders would be diluted by 16.1% from approximately 49.7% to approximately 33.6%.

In view of the above, there would be no material change in control of the Company as Mr LKO and the Controlling Shareholder Concert Group will remain as the single largest shareholding block in the Company. In addition, we note that the aggregate shareholding of Mr LKO and the Controlling Shareholder Concert Group as at the Latest Practicable Date was already more than 50% of the current issued share capital of the Company and Mr LKO and the Controlling Shareholder Concert Group collectively are in a position to exercise statutory control of the Company. Statutory control will put Mr LKO and the Controlling Shareholder Concert Group in a position to be able to pass all ordinary resolutions on matters in which Mr LKO and the Controlling Shareholder Concert Group do not have an interest in and which are tabled for Shareholders' approval at general meetings to be convened by the Company. This position does not change arising from the conversion of the RCULS or the Interest.

7.5.2 The Proposed Acquisition being conditional on the approval of the Proposed RCULS Issue and the Proposed Whitewash Resolution

Shareholders should note that the Proposed Acquisition is conditional on the approval of the Proposed RCULS Issue and the Proposed RCULS Issue is, *inter alia*, conditional on the approval of the Proposed Whitewash Resolution at the EGM. Accordingly, if the Proposed RCULS Issue and/or the Proposed Whitewash Resolution are not passed by a majority of the Non-Interested Shareholders or the Independent Shareholders (as the case may be), the Proposed Acquisition will not take place.

7.5.3 Implications of approval of the Proposed Whitewash Resolution

The Independent Shareholders should note that:

- (a) by voting in favour of the Proposed Whitewash Resolution, they will be waiving their rights to receive a mandatory general offer for all their Shares from Mr LKO at the highest price paid by him and his concert parties for the Shares in the past 6 months preceding the issue and allotment of the Conversion Shares and/or the Interest Shares;
- (b) the full conversion of the Proposed RCULS Issue may result in Mr LKO holding Shares carrying over 49% of the voting rights of the Company based on the enlarged issued share capital of the Company, and Mr LKO will as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a mandatory general offer for the Company; and
- (c) by voting for the Proposed Whitewash Resolution, Shareholders could be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilutive effect of the RCULS to be issued.

7.5.4 Voting abstentions

We note that as set out in section 17 of the Circular, *inter alia*:

- (a) Mr LKO has undertaken to the Company to abstain and procure that his Associates (including the Controlling Shareholder Concert Group and Mr Gareth Lim) to abstain from voting on the resolution relating to the Proposed Acquisition and the Proposed RCULS Issue; and
- (b) Mr LKO, the Relevant Parties and parties not independent of them shall, abstain from voting on resolution relating to the Proposed Whitewash Resolution at the EGM in respect of their shareholdings in the Company.

Accordingly, the approval of the Proposed Acquisition, the Proposed RCULS Issue and the Proposed Whitewash Resolution would be subject entirely to the approval of the Non-Interested Shareholders or Independent Shareholders.

7.5.5 Outlook of the Group

In the Group's announced unaudited financial statements for FY2015, the following commentary was made:

"For the next reporting period, the Group's financials will continue to be driven primarily by its exposure to three core sectors: Travel and Hospitality through TPPE, Education through the Group's investment in EDUC8 and precision engineering via the Group's investment in hard disk drive ("HDD") manufacturer TYKC.

Hospitality Sector

The Group expects its hospitality division (with hotels in Edinburgh United Kingdom and Sepang Malaysia) to experience strong growth in demand for affordable travel. To improve asset yields and to increase the division's profitability, management will continue to focus its efforts on enhancing its revenue management strategies that drive occupancies and improves average room rates.

In 1Q2016, the Group had announced the divestment of its 225-room hotel in Melbourne, Australia. Proceeds from this divestment will be utilized to further expand the Group's hospitality portfolio through opportunistic real estate investments globally with a focus on distressed properties.

Education

Management of the Group's investment in EDUC8, the investment holding company of Epsom College in Malaysia [will](sic) continue its focus on driving student numbers through increased marketing efforts and increasing awareness of the Epsom brand around the region in order to achieve economies of scale at its 50 acre campus in Bandar Enstek.

HDD Sector (TYKC)

Despite expectations of a decline in HDD shipments in FY2016, a result of the decline of the PC market and the penetration of SSDs, we expect the cost / benefit metrics of HDDs to remain far superior to any other storage medium. As such, HDDs should continue to exist in sizeable volumes in the near future. However, to supplement its HDD operations and to protect itself from the on-going volatility of HDD demand, TYKC's group of companies will continue to focus their efforts on diversifying their precision engineering activities to cater to other areas such as automotive, oil and gas, medical and other consumer electronic products.

IT Division

A number of our clients have indicated that they will cut back on capital spending in FY2016 due to the downturn in current economy condition.

The Group will remain focus in providing efficient services to existing clients whilst continue to strive for new IT business in the coming year."

8. OUR OPINION AND ADVICE

In arriving at our opinion and advice in respect of the Interested Person Transaction and the Proposed Whitewash Resolution, we have taken into account the following key considerations:

- (a) the rationale of the Proposed RCULS Issue, which main purpose is to raise funds for the Proposed Acquisition and the Board's view that the Proposed RCULS Issue is the most expeditious and cost efficient way towards raising the monies required to complete the Proposed Acquisition in view of the requirement to complete the Proposed Acquisition by 31 May 2016. We note the rationale of undertaking the Proposed Acquisition, namely (i) it offers the Company an opportunity to consolidate and enhance its investments in the private education and precision engineering sectors; (ii) ECMLIB's fund management license offers synergies and strategic relevance relative to the future direction of the Company and the Group and (iii) the Company also believes that the Proposed Acquisition is attractively priced. We further note that (i) the ECMLIB Group had been profitable in the last 3 financial years ended 31 January 2016, recording profit attributable to owners of the Company of RM12.3 million, RM28.2 million and RM11.2 million in the financial years ended 31 January 2014, 2015 and 2016 respectively; (ii) the Purchase Consideration of RM0.37 for each Subject Share represents a discount of RM0.11 (or 22.9%) to the audited NAV per Share of RM0.48 as at 31 January 2016 of the ECMLIB Group, and (iii) the Purchase Consideration of RM0.37 for each Subject Share

represents (aa) a discount of 13.7%, 12.3% and 2.6% to the VWAP of the ECMLIB Shares for the 12-, 6-month and 3-month period prior and up to the Last Market Day prior to the Announcement respectively, and a premium of 16.1% over the VWAP of the ECMLIB Shares for the one-month period prior and up to the Last Market Day prior to the Announcement; and (bb) a premium of 12.1% over the closing price of the ECMLIB Shares of RM0.33 on 23 February 2016, being the last Market Day on which the Shares were traded prior to the Announcement;

(b) the reasonableness of the terms of the RCULS as follows:

(i) an assessment of the market quotation of the Shares as follows:

(aa) the Conversion Price representing a significant premium of S\$0.046 (or 54.8%) over the lowest closing price of the Shares during the 12 month period prior and up to the Last Market Day; and (ii) a discount of S\$0.075 (or 36.6%) to the highest closing price of the Shares during the aforementioned 12-month period;

(bb) the Conversion Price representing a discount of 15.0% and 11.0% to the VWAP of the Shares for the 12- and 6-month period prior and up to the Last Market Day prior to the Announcement respectively; and (ii) a premium of 31.3% and 44.4% over the VWAP of the Shares for the 3- and one-month period prior and up to the Last Market Day prior to the Announcement respectively;

(cc) the Conversion Price representing a premium of 26.2% over the closing price of the Shares of S\$0.103 on 17 February 2016, being the last Market Day on which the Shares were traded prior to the Announcement and before the trading halt of the Shares at 8.30 a.m. on 24 February 2015;

(dd) the Conversion Price representing a significant premium of S\$0.048 (or 58.5%) over the lowest closing price of the Shares and a premium of S\$0.027 (or 26.2%) over the highest closing price of the Shares during the period after the Announcement and up to the Latest Practicable Date,

(ee) the Conversion Price representing a significant premium of S\$0.042 (or 47.7%) over the VWAP of the Shares of S\$0.088 for the aforementioned period; and

(ff) the Conversion Price representing a significant premium of S\$0.031 (or 31.3%) over the closing price of the Shares of S\$0.099 as at the Latest Practicable Date;

(ii) a comparison with the NAV of the Group and the Adjusted NAV of the Group, namely that, the Conversion Price represents a discount of S\$0.045 (or 25.7%) to the audited NAV per Share of S\$0.175 as at 31 December 2015 and a discount of S\$0.087 (or 40.1%) to the Adjusted NAV per Share of S\$0.217 as at 31 December 2015. We observed that the Shares have generally been trading below the historical book NAV per Share of the Group during the 12-month period prior to the Announcement and up to the Latest Practicable Date. The discounts of 25.7% and 40.1% of the Conversion Price to the audited NAV per Share of S\$0.175 as at 31 December 2015 and the Adjusted NAV per Share of S\$0.217 as at 31 December 2015 are within the range of the premium/discount of the historical closing prices of the Shares to the corresponding NAV per Share during the aforementioned period of between a premium of 3.8% and a discount of 53.2%;

(iii) a comparison with the Precedent Convertible Loan Transactions as follows:

(aa) the premium of the Conversion Price over the VWAP of the Shares for trades done on the last Market Day prior to the Announcement of 26.2% is (i) within

- the range of the Precedent Convertible Loan Transactions of between no premium and a premium of 119.6%, (ii) higher than the corresponding premium of 6 out of 13 Precedent Convertible Loan Transactions and lower than the corresponding premium of 7 out of 13 Precedent Convertible Loan Transactions, and (iii) below the corresponding mean and median premium of 44.1% and 34.7% of the Precedent Convertible Loan Transactions respectively;
- (bb) the conversion price-to-NTA ratios as implied by the Conversion Price and NAV per Share and the Adjusted NAV per Share as at 31 December 2015 of 0.7 times and 0.6 times respectively are (i) within the range of corresponding conversion price-to-NTA ratios of the Precedent Convertible Loan Transactions of between 4,794.5 times and 0.2 times, (ii) higher than the corresponding conversion price-to-NTA ratios of 4 out of 13 Precedent Convertible Loan Transactions and lower than the corresponding conversion price-to-NTA ratios of 9 out of 13 Precedent Convertible Loan Transactions, and (iii) below the mean the median price-to-NTA ratios of the Precedent Convertible Loan Transactions of 1.7 times and 1.5 times;
 - (cc) the interest rate of 0.5% of the RCULS is below the range of corresponding interest rates of the Precedent Convertible Loan Transactions of between 1% and 15.0%. We also note the redemption terms of some of the Precedent Convertible Loan Transactions were more than 100% of the principal sum. Accordingly, the effective interest of these Precedent Convertible Loan Transactions would have been higher if these loans were redeemed at maturity; and
 - (dd) the payment term of the Interest of the RCULS at maturity compares favourably to the interest payment terms of the Precedent Convertible Loan Transactions which were generally on a quarterly, semi-annual or annual basis. The payment of the Interest only at maturity allows the Group to conserve cash for its operations;
- (iv) a comparison of the interest rate of the RCULS with the Group's existing credit facilities and borrowings, and the interest rate of the RCULS of 0.5% per annum is lower than the range of interest rates of the Group's existing credit facilities and borrowings of between 2.6% to 6.62% per annum;
- (c) the historical financial performance and condition of Group as set out in paragraph 7.3 of this letter, namely that (i) the Group had incurred losses in the last 3 financial years ended 31 December 2015, (ii) the Group had negative working capital as at 31 December 2013, 31 December 2014 and 31 December 2015, (iii) as at 31 December 2015, the Group's bank borrowings amounted to S\$6.6 million and loans and advances from related persons amounted to S\$5.1 million, of which S\$2.7 million were interest-bearing, (iv) save for FY2013, the Group had recorded negative net cash flow from operating activities of S\$1.4 million in FY2014 and FY2015 respectively, and (v) as at 31 December 2015, the Group's cash and cash equivalents amounted to S\$6.0 million;
 - (d) the financial effects of the Proposed Acquisition and the Proposed RCULS issue on the Group as set out in paragraph 7.4 of this letter, namely, (i) the LPS of the Group would decrease from 1.97 cents in FY2015 to 1.40 cents after the Proposed Acquisition and the Proposed RCULS Issue and to 0.95 cents assuming full conversion of the RCULS and the Interest, and (ii) the NTA per Share of the Group would increase from 18.93 cents as at 31 December 2015 to 19.54 cents after the Proposed Acquisition and the Proposed RCULS Issue and decrease to 17.33 cents assuming full conversion of the RCULS and the Interest; and

- (e) other relevant considerations as follows:
- (i) the dilution impact to the Independent Shareholders, that the aggregate shareholding of Mr LKO and the Controlling Shareholder Concert Group as at the Latest Practicable Date was already more than 50% of the current issued share capital of the Company and Mr LKO and the Controlling Shareholder Concert Group was in a position to exercise statutory control of the Company and this position does not change arising from the conversion of the RCULS or the Interest, as set out in paragraph 7.5.1 of this letter;
 - (ii) the Proposed Acquisition being conditional on the approval of the Proposed RCULS Issue and the Proposed Whitewash Resolution;
 - (iii) the implications of approval of the Proposed Whitewash Resolution, as set out in paragraph 7.5.3 of this letter;
 - (iv) the voting abstentions in relation to the Proposed Acquisition, the Proposed RCULS Issue and the Proposed Whitewash Resolution at the EGM by Mr LKO, the Relevant Parties and parties not independent of them and accordingly, the approval of the Proposed Acquisition, the Proposed RCULS Issue and the Proposed Whitewash Resolution would be subject entirely to the approval of the Non-Interested Shareholders or Independent Shareholders; and
 - (v) the outlook of the Group, as set out in paragraph 7.5.5 of this letter.

Having considered the above and subject to the assumptions and qualifications set out in this letter, we are of the opinion that (a) the Proposed RCULS Issue as an Interested Person Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and the Non-Interested Shareholders; and (b) the financial terms of the RCULS is, on balance, fair and reasonable, and the Proposed Whitewash Resolution (in respect of the Proposed RCULS Issue) is not prejudicial to the interests of the Independent Shareholders. Accordingly, we advise (i) the Audit Committee to recommend that the Non-Interested Shareholders vote in favour of the Proposed RCULS Issue as an Interested Person Transaction; and (ii) the Independent Directors to recommend that the Independent Shareholders vote in favour of the Proposed Whitewash Resolution.

Our opinion and advice are addressed to the Audit Committee and/or the Independent Directors (as the case may be) for its/their benefit and for the purposes of its/their consideration of the Interested Person Transaction and/or the Proposed Whitewash Resolution (as the case may be). The recommendation to be made by the Audit Committee or the Independent Directors (as the case may be) to the Non-Interested Shareholders or the Independent Shareholders (as the case may be) shall remain the responsibility of the Audit Committee or the Independent Directors (as the case may be). Whilst a copy of this letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the forthcoming EGM and for the purposes of the Interested Person Transaction and the Proposed Whitewash Resolution.

Our opinion and advice are governed by, and construed in accordance with, the laws of Singapore. Our opinion and advice are strictly limited to the matters stated herein and do not apply by implication to any other matter.

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Bernard Lim
Executive Director

Chow You Yah
Senior Manager

APPENDIX 3 – RULES OF THE PLATO EMPLOYEE SHARE OPTION SCHEME 2016

1. NAME OF THIS SHARE OPTION SCHEME

This Share Option Scheme shall be called the “Plato Employee Share Option Scheme 2016”.

2. DEFINITIONS

2.1 In this Share Option Scheme, except where the context otherwise requires, the following words and expressions shall have the following meanings:

<i>“Acceptance Period”</i>	The period within which an Option may be accepted, as described in Rule 7.2.
<i>“Act”</i>	The Companies Act (Chapter 50) of Singapore as amended or modified from time to time.
<i>“Date”</i>	The date on which this Share Option Scheme is adopted by the Company in general meeting.
<i>“Auditors”</i>	The auditors of the Company for the time being.
<i>“Board”</i>	The Board of Directors of the Company for the time being.
<i>“CDP”</i>	The Central Depository (Pte) Limited.
<i>“Catalist”</i>	The Catalist Board of the SGX-ST.
<i>“Committee”</i>	A committee comprising Directors of the Company, duly authorised and appointed by the Board pursuant to Rule 13 to administer this Share Option Scheme.
<i>“Company”</i>	Plato Capital Limited
<i>“Constitution”</i>	The constitution of the Company
<i>“Control”</i>	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company.
<i>“Controlling Shareholder”</i>	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 otherwise); or (b) a person who in fact exercises control over the Company, as defined under the Listing Manual.
<i>“Depositor”</i>	A person being a Depository Agent or holder of a securities account maintained with CDP but not including a holder of a sub-account maintained with a Depository Agent.
<i>“Director”</i>	A person holding office as a director for the time being of the Company.
<i>“EGM”</i>	Extraordinary General Meeting.

<i>“Employee”</i>	Any full-time confirmed employee of the Group.
<i>“Exercise Price”</i>	The price at which a Participant shall subscribe for each Share upon the exercise of an option as determined in accordance with Rule 8.1 in relation to a Market Price Option, and Rule 8.2 in relation to an Incentive Option.
<i>“Financial Year”</i>	Each period of 12 months or more or less than 12 months, at the end of which the balance of accounts of the Company are prepared and audited, for the purpose of laying the same before an annual general meeting of the Company.
<i>“Grantee”</i>	The person to whom an offer of an Option is made.
<i>“Group”</i>	The Company and its subsidiaries, collectively.
<i>“Group Executive Director”</i>	A director of the Company and/or its Subsidiaries, as the case may be, who performs an executive function.
<i>“Group Non-Executive Director”</i>	A director of the Company and/or any of its Subsidiaries, as the case may be, who is not a Group Executive Director including independent Directors.
<i>“Incentive Option”</i>	The right to subscribe for Shares granted or to be granted pursuant to this Share Option Scheme and for the time being subsisting, and in respect of which the Exercise Price is determined in accordance with Rule 8.2.
<i>“Listing Manual”</i>	Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time.
<i>“Market Day”</i>	A day on which the SGX-ST is open for trading of securities.
<i>“Market Price”</i>	The price as defined in Rule 8.1(i).
<i>“Market Price Option”</i>	The right to subscribe for Shares granted or to be granted pursuant to this Share Option Scheme and for the time being subsisting, and in respect of which the Exercise Price is determined in accordance with Rule 8.1.
<i>“Offering Date”</i>	The date on which an Option is granted pursuant to Rule 6.1.
<i>“Option”</i>	A Market Price Option or an Incentive Option, as the case may be.
<i>“Option Period”</i>	The period for the exercise of an Option as set out in Rule 9.1.
<i>“Participant”</i>	A holder of an Option.
<i>“Rules”</i>	The rules of this Share Option Scheme, as the same may be amended from time to time.
<i>“SGX-ST”</i>	The Singapore Exchange Securities Trading Limited.
<i>“Share Option Scheme”</i>	The Plato Employee Share Option Scheme 2016, as modified or amended from time to time.
<i>“Shareholders”</i>	The registered holders for the time being of the Shares (other than

the CDP) or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register.

“Shares”

Ordinary shares in the capital of the Company.

“Sponsor”

The sponsor of the Company from time to time, as required by the Listing Manual.

“Trading Day”

A day on which the Shares are traded on the Catalist board of the SGX-ST.

“S\$”

Singapore dollars

2.2 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, as amended or modified from time to time.

2.3 The term “Associate” shall have the meaning ascribed to it by the SGX-ST Listing Manual as set out below:

(a) in relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means:

(i) his immediate family;

(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any corporation 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 corporation) means any other corporation 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.

2.4 Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and neuter gender. References to persons shall include corporations. References to Rules and Appendices shall be construed as references to Rules of and the Appendices to this Share Option Scheme.

2.5 Any reference in this Share Option Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Share Option Scheme shall, where applicable, have the same meaning assigned to it under the Act.

2.6 Any reference in this Share Option Scheme to a time of day shall be a reference to Singapore time unless otherwise stated.

3. OBJECTIVES OF THIS SHARE OPTION SCHEME

3.1 This Share Option Scheme is a share incentive scheme. The purpose of this Share Option Scheme is to provide an opportunity for Employees, Group Executive Directors and Group Non-Executive Directors to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to those who have contributed significantly to the growth and performance of the Group.

3.2 This Share Option Scheme is proposed on the basis that it is important to recognise the fact that the services of the Employees, Group Executive Directors and Group Non-Executive Directors are important to the success and continued well-being of the Group. Implementation of this Share Option Scheme will enable the Company to give recognition to the contributions made by such Employees, Group Executive Directors and Group Non-Executive Directors, which is essential to the well-being and prosperity of the Group. At the same time, it will give such Employees, Group Executive Directors and Group Non-Executive Directors an opportunity to have a direct interest in the Company and will also help to achieve the following positive objectives:

- (i) the motivation of Participants to optimise performance standards and efficiency and to maintain a high level of contribution;
- (ii) the retention of key Employees whose contributions are important to the long term growth and prosperity of the Group;
- (iii) the attainment of harmonious employer/employee relations;
- (iv) to align the interest of Employees and other Participants with the interests of the shareholders; and
- (v) the development of a participatory style of management which promotes greater commitment and dedication amongst the Employees and instils loyalty and a stronger sense of identification with the long term prosperity of the Group.

4. ELIGIBILITY

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

(i) Employees, Group Executive Directors and Group Non-Executive Directors

- (a) Employees of the Group who have attained the age of 21 years on or before the Offering Date;
- (b) Group Executive Directors who have attained the age of 21 years on or before the Offering Date; and
- (c) Group Non-Executive Directors who have attained the age of 21 years on or before the Offering Date.

The Participant must not be an undischarged bankrupt and must not have entered into a composition with his creditors.

(ii) Controlling Shareholders and Associates of Controlling Shareholders

Subject to Rule 4.2, persons who are qualified under 4.1(i) above and who are also Controlling Shareholders or Associates of Controlling Shareholders.

4.2 Employees who are Controlling Shareholders or Associates of Controlling Shareholders shall (notwithstanding that they may meet the eligibility criteria in Rule 4.1(i) above) not participate in this Share Option Scheme unless:

- (i) their participation; and
- (ii) the actual number of Shares to be issued to them and the terms of any Option to be granted to them, have been approved by the independent shareholders in general meeting in separate resolutions for

each such person, and in respect of each such person, in separate resolutions for each of (i) his participation and (ii) the actual number of Shares to be issued to him and the terms of any Option to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent shareholders of the Company for the participation in this Share Option Scheme of an Associate of a Controlling Shareholder who is, at the relevant time already a Participant. For the purposes of obtaining such approval from the independent shareholder, the Company shall procure that the circular, letter or notice to the shareholder in connection therewith shall set out the following:

- (a) clear justifications for the participation of such Controlling Shareholders or Associates of Controlling Shareholders;
 - (b) clear rationale for the number and terms (including the Exercise Price) of the Options to be granted to such Controlling Shareholders or Associates of Controlling Shareholders; and
 - (c) (where Incentive Options are proposed to be granted to Controlling Shareholders or Associates of Controlling Shareholders) the discount to the Market Price applicable to the Exercise Price of such Options (as determined in accordance with Rule 8.2).
- 4.3 Save as prescribed by the Listing Manual, there shall be no restriction on the eligibility of any Grantee or Participant to participate in any other share option or share incentive scheme of the Company and, whether or not implemented by any other companies within the Group.
- 4.4 Subject to the Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in this Share Option Scheme may be amended from time to time at the absolute discretion of the Committee.

5. LIMITATIONS OF THIS SHARE OPTION SCHEME

- 5.1 The aggregate number of Shares which the Committee may grant in respect of any Options on any date, when added to (i) the number of Shares issued and issuable and/or transferred and transferable in respect of all Options granted under this Share Option Scheme; and (ii) all Shares issued and issuable and/or transferred and transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed 15% of the issued share capital (excluding treasury shares) of the Company on the date preceding the grant of an Option.
- 5.2 Subject to Rule 4 and Rule 10, the aggregate number of Shares comprised in Market Price Options or (as the case may be) Incentive Options, to be offered to any Grantee in accordance with this Share Option Scheme shall be determined at the absolute discretion of the Committee, who shall take into account, in respect of a Grantee, criteria such as rank, past performance, years of service and potential for future development of that Employee, provided that in relation to Controlling Shareholders or Associates of Controlling Shareholders:
- (i) the aggregate number of Shares which may be offered by way of grant of options to Participants who are Controlling Shareholders or Associates of Controlling Shareholders under this Share Option Scheme shall not exceed 25% of the total number of Shares available under this Share Option Scheme; and
 - (ii) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under this Share Option Scheme.

6. OFFERING DATE

- 6.1 The Committee may, save as provided in Rule 4 and Rule 5, offer to grant Options to such Grantees as it may select in its absolute discretion at any time during the period when this Share Option Scheme 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, Options may only be granted on or after the second Market Day from the date on which the aforesaid announcement is released.
- 6.2 An offer to grant the Option to a Grantee shall be made by way of a letter (the "Letter of Offer") in the form or substantially in the form set out in Schedule A, subject to such modification including, but not limited to imposing restrictions on the number of Options that may be exercised within particular sections of the relevant Option Period, as the Committee may from time to time determine.

7. ACCEPTANCE OF OFFER

- 7.1 An Option shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior approval in writing of the Committee.
- 7.2 The closing date for the acceptance for the grant of any Option under this Rule 7 shall not be less than 15 days and not more than 30 days from the Offering Date of that Option. The grant of an Option must be accepted by completing, signing and returning of the Acceptance Form in or substantially in the form set out in Schedule B, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1.00 as consideration or such other amount and such other documentation as the Committee may require. The Option is deemed not accepted until actual receipt by the Company of the Acceptance Form.
- 7.3 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance:
- (i) if a grant of an Option is not accepted strictly in the manner as provided in Rule 7.2, such acceptance being within the Acceptance Period;
 - (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 Option; and
 - (iii) if the Company is liquidated or wound-up prior to the Participant's acceptance of the Option.
- 7.4 The Company shall be entitled at its absolute discretion to reject any purported acceptance of a grant of an Option made pursuant to this Rule 7 or Exercise Notice given pursuant to Rule 11 which does not strictly comply with the terms of this Share Option Scheme. In the event that an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.

8. EXERCISE PRICE

- 8.1 Subject to any adjustment pursuant to Rule 12, the Exercise Price for each Share in respect of which a Market Price Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at a price (the "Market Price") equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the five (5) consecutive Trading Days immediately preceding the Offering Date of that Option, rounded up to the nearest whole cent in the event of fractional prices provided in the case of a Market Price Option that is proposed to be granted to a Controlling Shareholder or an Associate of a Controlling Shareholder, the Exercise Price for each Share shall be equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST, for the five (5) consecutive Trading Days

immediately preceding the latest practicable date prior to the date of any circular, letter or notice to the Shareholders proposing to seek their approval of the grant of such Options to such Controlling Shareholder or Associate of a Controlling Shareholder.

8.2 Subject to any adjustment pursuant to Rule 12, the Exercise Price for each Share in respect of which an Incentive Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at a price which is set at a discount to the Market Price (as determined in accordance with Rule 8.1), provided that the maximum discount shall not exceed 20% of the Market Price (or such other percentage or amount as may be prescribed or permitted for the time being by the SGX-ST). In determining the quantum of such discount, the Committee shall take into consideration such criteria as the Committee may, in its absolute discretion, deem appropriate including but not limited to:

- (1) the performance of the Company and the Group, taking into account financial considerations such as the Group's sales/revenue, profit and performance targets;
- (2) the individual performance of the Participant, his effectiveness and contribution to the success and development of the Company and/or the Group; and
- (3) the potential for future contribution by the Participant to the success and development of the Group.

8.3 The Committee, at its absolute discretion, may also consider granting Incentive Options at up to 20% discount to the Market Price of the Option Shares under circumstances including, but not limited to, the following:

- (i) to enable the Group to offer competitive remuneration packages in the event that the practice of granting options with exercise prices that have a discount element becomes a general market norm. As share options become more significant components of executive remuneration packages, a discretion to grant options with discounted prices will provide the Group with a means to maintain the competitiveness of the Group's compensation strategy; and/or
- (ii) where the Group needs to provide more compelling motivation for specific business units to improve their performance, grants of share options with discounted exercise prices will help to align the interest of Employees to those of shareholders by encouraging them to focus more on profitability and returns of the Group above a certain level that will benefit all shareholders when these are eventually reflected through an appreciation of the Share price, as such options granted at a discount would be perceived more positively by the Employees who receive such options.

The Committee will determine on a case-by-case basis whether a discount will be given, and the quantum of the discount, taking into consideration the objective that is desired to be achieved by the Group and the prevailing market conditions. As the actual discount given will depend on the relevant circumstances, the extent of the discount may vary from one case to another, subject to a maximum discount of 20% of the Market Price of an Option Share.

9. EXERCISE OF OPTION

9.1 Except as provided in this Rule 9 and Rule 10 and any other conditions as may be introduced by the Committee from time to time, each Option shall be exercisable, in whole or in part, as follows:

- (i) in the case of a Market Price Option, during the period commencing after the first anniversary of the Offering Date and expiring on the tenth anniversary of such Offering Date, provided that in the case of a Market Price Option which is granted to a Participant not holding a salaried office or employment in the Group, such Option Period shall expire on the fifth anniversary of such Offering Date; and
- (ii) in the case of an Incentive Option, during the period commencing after the second anniversary of the Offering Date and expiring on the tenth anniversary of such Offering Date, provided that in the case

of an Incentive Option which is granted to a Participant not holding a salaried office or employment in the Group, such Option Period shall expire on the fifth anniversary of such Offering Date.

- 9.2 In the event of an Option being exercised in part only, the balance of the Option not thereby exercised shall continue to be exercisable in accordance with this Share Option Scheme until such time as it shall lapse in accordance with the Rules of this Share Option Scheme.
- 9.3 An Option shall, to the extent not accepted or unexercised, immediately lapse and become null and void and a Participant shall have no claim against the Company:
- (i) 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 Option; or
 - (ii) in the event of misconduct on the part of the Participant, as determined by the Committee in its absolute discretion; or
 - (iii) subject to Rule 9.4 and 9.5 below, in the event a Participant being an Employee ceases to be in the employment of the Group as an Employee, or if a Participant being a Group Executive Director or Group Non-Executive Director, ceases to be such a director; or
 - (iv) in the event that the Committee shall, at its sole and absolute discretion, deem it appropriate that such Option granted to a Participant shall so lapse on the grounds that any of the objectives of this Share Option Scheme (as set out in Rule 3) have not been met.

For the purpose of Rule 9.3(iii), the Participant shall be deemed to have ceased to be so employed or appointed as of the earlier of the date of the Participant's notice of resignation of employment/appointment or the cessation of his employment/appointment with the Group ("**Effective Date**").

- 9.4 In the event a Participant being an Employee ceases to be in the employment of the Group as a full time employee, or if a Participant being a Group Executive Director or Group Non-Executive Director, ceases to be a director, such Participant may, unless the Committee determines otherwise, exercise such Options which have vested on or prior to the Effective Date within 14 days of the Effective Date, failing which, such Options shall automatically lapse.
- 9.5 If a Participant (including a Participant holding Options that are unvested, partially unvested or as yet unexercisable pursuant to the provisions of Rule 9.1) ceases to be employed or appointed by the Group:
- (a) by reason of the company in which he is employed or appointed (referred to as a "relevant company") ceasing to be a company within the Group due to a demerger, change of controlling shareholder(s), take-over, divestment, winding up (whether or not voluntary and whether for the purposes of reorganisation, amalgamation or reconstruction) or merger, or the business or undertaking or part of the business or undertaking of such company being transferred otherwise than to another company within the Group; or
 - (b) for any other similar reason, provided the Committee gives its consent in writing,

(each of the above events to be referred to as a "relevant event"),

he may, at the discretion of the Committee, exercise any Options then remaining unexercised, unvested, partially unvested or as yet unexercisable pursuant to the provisions of Rule 9.1, in whole or in part, either in the manner and at the times provided in Rule 9.1 (as the case may be), or in such other manner and within such other period during the Exercise Period as may be determined by the Committee in its absolute discretion.

- 9.6 If a Participant dies and at the date of his death holds any vested Options, such Options may, at the absolute discretion of the Committee, be fully exercisable by the duly appointed legal personal representatives of the

Participant from the date of his death to the end of the relevant Option period and upon the expiry of such period, the Option shall automatically lapse.

10. TAKE-OVER AND WINDING-UP OF THE COMPANY

10.1 Notwithstanding Rule 9 but subject to Rule 10.5, in the event of a take-over being made for the Shares, a Participant (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 9.1) shall be entitled to exercise in full or in part any Option held by him and as yet unexercised, in the period commencing on the date on which such offer 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:

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

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

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of the Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Participants until such specified date or the expiry of the Option Period relating thereto, whichever is earlier. Any Option not so exercised by the said specified date shall lapse and become null and void provided that the rights of acquisition or obligation to acquire shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall subject to Rule 9 remain exercisable until the expiry of the Option Period relating thereto.

10.2 If under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 9.1) shall be entitled, notwithstanding Rule 9 but subject to Rule 10.5, to exercise any Option then held by him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option period relating thereto), whereupon the Option shall lapse and become null and void.

10.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Options to the extent unexercised, shall lapse and become null and void.

10.4 In the event of a members' voluntary winding-up (other than amalgamation or reconstruction), the Participants (including Participants holding Options which are not exercisable pursuant to the provisions of Rule 9.1) shall be entitled within 30 days of the passing of the resolution of such winding-up (but not after the expiry of the Option Period relating thereto), to exercise any unexercised Option, after which period such unexercised Option shall lapse and become null and void.

10.5 If in connection with the making of a general offer referred to in Rule 10.1 or this Share Option Scheme referred to in Rule 10.2 or the winding-up referred to in Rule 10.4, 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 continuation of their Options or the payment of cash or the grant of other Options or otherwise, a Participant holding an Option, as yet not exercised, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 10.

10.6 To the extent that an Option is not exercised within the periods referred to in this Rule 10, it shall lapse and become null and void.

11. MANNER OF EXERCISE

11.1 An Option may be exercised during the Option Period, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiples thereof), by a Participant giving notice in writing to the Company in or substantially in the form set out in Schedule C (the "Exercise Notice"), each case being subject to such modifications as the Committee may from time to time determine. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any) and any other documentation the Committee may require. An Option shall be deemed to be exercised upon the receipt by the Company of the Exercise Notice duly completed, the relevant documentation required by the Committee and the aggregate Exercise Price.

11.2 All payments shall be made by cheque, cashier's order, bank draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company.

11.3 Subject to:

(i) such consents or other required actions of any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and

(ii) compliance with the Rules of this Share Option Scheme and the Constitution of the Company,

the Company shall have the discretion to determine whether to issue new Shares or to procure the transfer of existing Shares, or a combination of both methods to the Participant and shall, as soon as practicable after the exercise of an Option by a Participant but in any event within ten (10) Market Days after the date of the exercise of the Option in accordance with Rule 11.1, allot or transfer the relevant Shares and within five (5) Market Days from the date of such allotment and transfer, dispatch the relevant share certificates to CDP for the credit of the securities account of that Participant by ordinary post or such other mode of delivery as the Committee may deem fit.

11.4 The Company shall as soon as practicable after the exercise of an Option, apply to the Sponsor and/or the SGX-ST and any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Participant pursuant to any adjustments made in accordance with Rule 12.

11.5 Shares which are allotted or transferred on the exercise of an Option by a Participant shall be issued in or transferred to, as the Participant may elect, the name of CDP to the credit of the securities account of the Participant maintained with CDP, the Participant's securities sub-account with a CDP Depository Agent or the CPF investment account maintained with a CPF agent bank.

11.6 Shares issued and allotted and existing Shares transferred upon the exercise of an Option shall be subject to all provisions of the Constitution of the Company and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights, allotments or other distributions, the record date of which is prior to the date such Option is exercised.

11.7 The Company shall keep available sufficient unissued Shares to satisfy the full exercise of all Options for the time being remaining capable of being exercised.

11.8 Except as set out in Rule 11.3 and subject to Rule 12, an Option does not confer on a Participant any right to participate in any new issue of Shares.

12. ALTERATION OF CAPITAL

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

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

shall, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the date of exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable. For this purpose, "Record Date" means the date as at the close of business on which shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions (as the case may be).

12.2 Unless the Committee considers an adjustment to be appropriate, the following shall not be regarded as a circumstance requiring adjustment under the provisions of this Rule 12:

- (i) the issue of securities as consideration for an acquisition of any assets or private placement of securities by the Company; and
- (ii) 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 Catalist during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force.

12.3 Notwithstanding the provisions of Rule 12.1 above:

- (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.

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

12.5 The restriction on the number of Shares to be offered to any Grantee under Rule 5 above, shall not apply to the number of additional Shares or Options over additional Shares issued by virtue of any adjustment to the number of Shares and/or Options pursuant to this Rule 12.

13. ADMINISTRATION

- 13.1 This Share Option Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options granted or to be granted to him.
- 13.2 The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with this Share Option Scheme) for the implementation and administration of this Share Option Scheme as it thinks fit including, but not limited to, imposing restrictions on the number of Options that may be exercised within particular sections of the relevant Option Period.
- 13.3 Any decision of the Committee, made pursuant to any provision of this Share Option Scheme (other than a matter to be certified by the Auditors), shall be final, binding and conclusive (including any decisions pertaining to quantum of discount applicable to an Incentive Option pursuant to Rule 8.2 or to disputes as to the interpretation of this Share Option Scheme or any rule, regulation, or procedure thereunder or as to any rights under this Share Option Scheme).

14. NOTICES AND ANNUAL REPORT

- 14.1 Any notice given by a Participant to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Participant in writing.
- 14.2 Any notice, documents or correspondence given by the Company to a Participant shall be sent to the Participant by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address stated in the records of the Company or the last known address of the Participant, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.
- 14.3 The Company shall in relation to this Share Option Scheme, as required by law, the SGX-ST or other relevant authority, make the following disclosures in its annual report to shareholders:
- (i) the names of the members of the Committee;
 - (ii) in respect of the following Participants:
 - (a) Directors of the Company;
 - (b) Controlling Shareholders and their Associates; and
 - (c) Participants (other than those in paragraphs (a) and (b) above) who have received 5% or more of the total number of Options available under this Share Option Scheme; the following information:
 - (aa) the name of the Participant;
 - (bb) Options granted during the financial year under review (including terms);
 - (cc) the aggregate number of Shares comprised in Options granted since the commencement of this Share Option Scheme up to the end of the Financial Year under review;
 - (dd) the aggregate number of Shares arising from Options exercised since the commencement of this Share Option Scheme up to the end of the Financial Year under review; and

- (ee) the aggregate number of Shares comprised in Options outstanding as at the end of the Financial Year under review;
- (iii) the number and proportion of Options granted at a discount during the Financial Year under review in respect of every 10% range, up to the maximum quantum of discount granted; and
- (iv) such other information as may be required by the Listing Manual or the Act.

An appropriate negative statement will be included in the annual report to the shareholders in the event the disclosure of any of the abovementioned information is not applicable.

15. MODIFICATIONS TO THIS SHARE OPTION SCHEME

- 15.1 Any or all of the provisions of this Share Option Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee in compliance with the Listing Manual except that:
- (i) any modification or alteration which shall alter adversely the rights attaching to any Option granted prior to such modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration may only be made with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three quarters of all the Shares which would fall to be issued and allotted or transferred upon exercise in full of all outstanding Options;
 - (ii) no alteration shall be made to the particular rules of the Plato ESOS 2016 to the advantage of the holders of the Options, except with the prior approval of Shareholders in a general meeting; and
 - (iii) no modification or alteration shall be made without the prior approval of the SGX-ST or (if required) any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

For the purposes of Rule 15.1(i), the opinion of the Committee as to whether any modification or alteration would alter adversely the rights attaching to any Option shall be final and conclusive.

- 15.2 Notwithstanding anything to the contrary contained in Rule 15.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST) amend or alter this Share Option Scheme in any way to the extent necessary to cause this Share Option Scheme to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 15.3 Shareholders who are eligible to participate in this Share Option Scheme must abstain from voting on any resolution relating to the Share Option Scheme (other than a resolution relating to the participation of, or grant of options to, directors and employees of the issuer's parent company and its subsidiaries).
- 15.4 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.

16. VESTING

- 16.1 The Options may, at the discretion of the Committee, be vested partially over a number of years.
- 16.2 The periods over which the Options will vest may exceed any minimum vesting periods prescribed by any laws, regulations or rules to which this Share Option Scheme may be subject, including the regulations of any stock exchange on which the Shares may be listed and quoted. Further, the Shares to be issued and allotted to a Participant pursuant to the exercise of any Option under this Share Option Scheme may or may not at the discretion of the Committee, be subject to any retention period.

17. TERMS OF EMPLOYMENT UNAFFECTED

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

18. DURATION OF THIS SHARE OPTION SCHEME

- 18.1 The Share Option Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of five (5) years commencing on the Adoption Date, provided always that the Share Option Scheme may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 18.2 This Share Option Scheme may be terminated at any time by the Committee or by resolution of the shareholders at a general meeting subject to all other relevant approvals which may be required and if this Share Option Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 18.3 The termination, discontinuance or expiry of this Share Option Scheme shall be without prejudice to the rights accrued to Options which have been granted and accepted as provided in Rule 7.2, whether such Options have been exercised (whether fully or partially) or not.

19. TAXES

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

20. COSTS AND EXPENSES OF THIS SHARE OPTION SCHEME

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

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained and subject to the Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with this Share Option Scheme including but not limited to the Company's delay or failure in issuing and allotting the Shares

or in applying for or procuring the listing of and quotation for the Shares on Catalist in accordance with Rule 11.4 (and any other stock exchanges on which the Shares are quoted or listed).

22. DISPUTES

Any disputes or differences of any nature in connection with this Share Option Scheme shall be referred to the Committee and its decision shall be final and binding in all respects.

23. CONDITION OF OPTION

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

24. GOVERNING LAW

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

25. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B)

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

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SCHEDULE A
PLATO EMPLOYEE SHARE OPTION SCHEME 2016
LETTER OF OFFER

Serial No:

Date:

To: Name
 Designation
 Address

PRIVATE AND CONFIDENTIAL

Dear Sir/Madam

We are pleased to inform you that you have been nominated by the Committee of the Board of Directors of Plato Capital Limited (the "Company") to participate in the Plato Capital Employee Share Option Scheme 2016 (the "Scheme"). Terms as defined in the Scheme shall have the same meaning when used in this letter.

Accordingly, an offer is hereby made to grant you an Option, in consideration of the payment of a sum of S\$1.00, to subscribe for and be allotted _____ Shares in the capital of the Company at the price of S\$ _____ per Share. The Option shall be subject to the terms of the Scheme (as the same may be amended from time to time pursuant to the terms and conditions of the Scheme). A copy of the Scheme is available for inspection at the business address of the Company.

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

If you wish to accept the offer, please sign and return the enclosed Acceptance Form with a sum of S\$1.00 not later than 5.00 p.m. on _____ failing which this offer will forthwith lapse.

Yours faithfully
for and on behalf of
Plato Capital Limited

Name:

Designation:

SCHEDULE B
PLATO EMPLOYEE SHARE OPTION SCHEME 2016
ACCEPTANCE FORM

Serial No:

To: The Committee
Plato Employee Share Option Scheme 2016
c/o The Company Secretary
[Registered office address]

Closing Date and Time for Acceptance of Option: _____

No. of Shares in respect of which Option is offered: _____

Exercise Price per Share: S\$ _____

Total Amount Payable on acceptance of Option: S\$ _____
(exclusive of the relevant CDP charges)

I have read your Letter of Offer dated _____ (the "Offering Date") and agree to be bound by the terms hereof and of the Plato Capital Employee Share Option Scheme 2016 stated therein. I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of shares in the Company or options to subscribe for such shares.

I hereby accept the Option to subscribe for _____ Shares in the capital of Plato Capital Limited (the "Shares") at S\$ _____ per Share and enclose a *cheque/banker's draft/cashier's order/postal order no. for S\$1.00 being payment for the purchase of the Option.

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

I also understand that I shall be responsible for all the fees of CDP relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP or the Participant's securities sub-account with a CDP Depository Agent or CPF investment account with a CPF agent bank (collectively, the "CDP Charges").

I confirm as at the date hereof:

- (a) I am not less than 21 years old, not an undischarged bankrupt and have not entered into a composition with any of my creditors;
- (b) I satisfy the eligibility requirements to participate in the Scheme as defined in Rule 4 of the Scheme; and
- (c) I satisfy the other requirements to participate in the Scheme as set out in the Rules of the Scheme.

I hereby acknowledge that you have not made any representation or warranty or given me any expectation of employment or continued employment to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer. I agree to keep all information pertaining to the grant of the Option to me confidential.

PLEASE PRINT IN BLOCK LETTERS

Name in Full: _____

Designation: _____

Address: _____

Nationality: _____

*NRIC/Passport No.: _____

Signature: _____

Date: _____

* Delete where inapplicable

Notes:

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

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SCHEDULE C
PLATO EMPLOYEE SHARE OPTION SCHEME 2016
EXERCISE NOTICE

To: The Committee

Plato Employee Share Option Scheme 2016
c/o The Company Secretary
[Registered office address]

Total Number of Shares at S\$ _____ per Share
under an Option granted on _____ (the "Offering Date"): _____

Number of Shares previously issued and allotted thereunder: _____

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

Number of Shares now to be subscribed (in multiples of 1,000):

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

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

* (a) Direct Securities Account Number:

* (b) Securities Sub-Account Number: Name of CDP Depository Agent:

* (c) CPF Investment Account Number: Name of CPF agent bank:

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

4. I agree to subscribe for the Shares subject to the terms of the Letter of Offer, the Plato Capital Employee Share Option Scheme 2016 (as the same may be amended pursuant to the terms thereof from time to time) and the Constitution of the Company.

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

* Delete where inapplicable

APPENDIX 4 – RULES OF THE PLATO PERFORMANCE SHARE PLAN 2016

1. NAME OF THE PLAN

The Plan shall be called the “Plato Performance Share Plan 2016”.

2. DEFINITIONS

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

<i>“Act”</i>	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time.
<i>“Adoption Date”</i>	The date on which the Plan is adopted by resolution of the Shareholders of the Company.
<i>“Auditors”</i>	The auditors of the Company for the time being.
<i>“Award”</i>	A contingent award of Shares granted under Rule 5
<i>“Award Date”</i>	In relation to an Award, the date on which the Award is granted pursuant to Rule 5.
<i>“Award Letter”</i>	A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee.
<i>“Board”</i>	The Board of Directors of the Company for the time being.
<i>“CDP”</i>	The Central Depository (Pte) Limited.
<i>“Catalist”</i>	The Catalist Board of the SGX-ST.
<i>“Committee”</i>	The committee comprising Directors of the Company duly authorized and appointed by the Board pursuant to Rule 10 to administer the Plan.
<i>“Company”</i>	Plato Capital Limited
<i>“Constitution”</i>	The constitution of the Company.
<i>“Control”</i>	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company.
<i>“Controlling Shareholder”</i>	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 otherwise); or (b) a person who in fact exercises control over the Company, as defined under the Listing Manual.
<i>“Depositor”</i>	A person being a Depository Agent or holder of a securities account maintained with CDP but not including a holder of a sub-account maintained with a Depository Agent.
<i>“Employee”</i>	A full time confirmed employee of the Group.
<i>“Group”</i>	The Company and its subsidiaries, collectively.

<i>“Group Executive Director”</i>	A director of the Company and/or any of its Subsidiaries, as the case may be, who performs an executive function.
<i>“Group Non-Executive Director”</i>	A director of the Company and/or any of its Subsidiaries, as the case may be, who is not a Group Executive Director, including independent directors.
<i>“Listing Manual”</i>	Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time.
<i>“Market Value”</i>	In relation to a Share, on any day: <ul style="list-style-type: none"> (a) the average price of a Share on the Singapore Exchange over the five (5) immediately preceding Trading Days; or (b) if the Committee is of the opinion that the Market Value as determined in accordance with (a) above is not representative of the value of a Share, such price as the Committee may determine, such determination to be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
<i>“Participant”</i>	Any eligible person selected by the Committee to participate in the Plan in accordance with the rules hereof.
<i>“Performance Condition”</i>	In relation to an Award, the condition specified on the Award Date in relation to that Award.
<i>“Performance Period”</i>	In relation to an Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied.
<i>“Plan”</i>	The Plato Performance Share Plan 2016, as the same may be modified or altered from time to time.
<i>“Release”</i>	In relation to an Award, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and “Released” shall be construed accordingly.
<i>“Release Schedule”</i>	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period.
<i>“Released Award”</i>	An Award which has been released in accordance with Rule 7.
<i>“Retention Period”</i>	In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date.
<i>“SGX-ST”</i>	The Singapore Exchange Securities Trading Limited.
<i>“Shares”</i>	Ordinary shares in the capital of the Company.
<i>“Shareholders”</i>	The registered holders for the time being of the shares (other than the CDP) or in the case of Depositors, Depositors who have Shares entered against their names

in the Depository Register.

“Sponsor” The sponsor of the Company from time to time, as required by the Listing Manual.

“Subsidiary” A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act.

“Trading Day” A day on which the Shares are traded on Catalist.

“Vesting” In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly.

“Vesting Date” In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7.

2.2 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, as amended or modified from time to time.

2.3 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

2.4 Any reference to a time of a day in the Plan is a reference to Singapore time, unless otherwise stated.

2.5 Any reference in the 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 any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

2.6 The term **“Associate”** shall have the meaning ascribed to it by the SGX-ST Listing Manual as set out below:

(a) in relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means:

(i) his immediate family;

(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any corporation 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 corporation) means any other corporation 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.

3. OBJECTIVES OF THE PLAN

The Plan has been proposed in order to:

- (i) foster a culture of ownership within the Group which aligns the interests of the Employees and Group Executive Directors and Group Non-Executive Directors with the interests of Shareholders;
- (ii) motivate participants to achieve key financial and operational goals of the Group and/or its respective business units and encourage greater dedication and loyalty to the Group; and
- (iii) make total Employee, Group Executive Directors and Group Non-Executive Directors remuneration sufficiently competitive to recruit new participants and/or retain existing participants whose contributions are important to the long term growth and profitability of the Group.

4. ELIGIBILITY OF PARTICIPANTS

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

- (i) Employees, Group Executive Directors and Group Non-Executive Directors

Employees, Group Executive Directors and Group Non-Executive Directors who have attained the age of 21 years as of the Award Date. The Participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

- (ii) Controlling Shareholders and Associates of Controlling Shareholders

Subject to Rule 4.2, persons who are qualified under 4.1(i) above and who are also Controlling Shareholders or Associates of Controlling Shareholders.

4.2 Employees, Group Executive Directors and Group Non-Executive Directors who are Controlling Shareholders or Associates of Controlling Shareholders shall (notwithstanding that they may meet the eligibility criteria in Rule 4.1(i) above) not participate in the Plan unless:

- (i) their participation; and
- (ii) the terms of each grant and the actual number of Awards to be granted to them, have been approved by the independent Shareholders in general meeting in separate resolutions for each such person, and in respect of each such person, in separate resolutions for each of (i) his participation and (ii) the terms of each grant and the actual number of Awards to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent Shareholders of the Company for the participation in the Plan of a Controlling Shareholder or an Associate of a Controlling Shareholder who is, at the relevant time already a Participant. For the purposes of obtaining such approval from the independent Shareholders, the Company shall procure that the circular, letter or notice to the Shareholder in connection therewith shall set out the following:
 - (a) clear justifications for the participation of such Controlling Shareholders or Associates of Controlling Shareholders; and
 - (b) clear rationale for the terms of the Awards to be granted to such Controlling Shareholders or Associates of Controlling Shareholders.

- 4.3 Save as prescribed by the Listing Manual, there shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme of the Company and, whether or not implemented by any other companies within the Group.
- 4.4 Subject to the Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in the Plan may be amended from time to time at the absolute discretion of the Committee.

5. GRANT OF AWARDS

- 5.1 Except as provided in Rule 8, the Committee may grant Awards to Employees, Group Executive Directors and Group Non-Executive Directors as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force, provided that no Participant who is a member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.
- 5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan 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 and development of the Group and the extent of effort and resourcefulness with which the Performance Condition may be achieved within the Performance Period, provided that in relation to Controlling Shareholders and Associates of Controlling Shareholders:
 - (a) the aggregate number of Shares which may be offered by way of grant of Awards to Participants who are Controlling Shareholders or Associates of Controlling Shareholders under this Plan shall not exceed 25% of the total number of Shares available under this Plan, and such aggregate number of Shares which may be offered to such Participants under this Plan has been approved by the independent shareholders of the Company in a separate resolution. For the purposes of obtaining such approval of the independent shareholder of the Company, the Committee shall procure that the circular, letter or notice to the shareholder in connection therewith shall set out clear rationale for the participation of and grant of Awards to Participants who are Associates of Controlling Shareholders, provided always that it shall not be necessary to obtain the approval of the independent shareholder of the Company for the participation in this Plan of Associates of Controlling Shareholders who at the relevant time were already Participants; and
 - (b) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under this Plan.
- 5.3 The Committee shall decide in relation to an Award:
 - (a) the Participant;
 - (b) the Award Date;
 - (c) the Performance Period;
 - (d) the number of Shares which are the subject of the Award;
 - (e) the Performance Condition;
 - (f) the Release Schedule; and
 - (g) any other condition(s) which the Committee may determine in relation to that Award.

- 5.4 The Committee may amend or waive the Performance Period, the Performance Condition and/or the Release Schedule in respect of any Award:
- (a) in the event of a take-over offer being made for the Shares or if (i) shareholders of the Company or (ii) under the Act, the court, sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
 - (b) if anything happens which causes the Committee to conclude that:
 - (i) a changed Performance Condition and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
 - (ii) the Performance Condition and/or Release Schedule should be waived, and shall notify the Participants of such change or waiver.
- 5.5 As soon as reasonably practicable after making an Award the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:
- (a) the Award Date;
 - (b) the Performance Period;
 - (c) the number of Shares which are the subject of the Award;
 - (d) the Performance Condition;
 - (e) the Release Schedule; and
 - (f) any other condition which the Committee may determine in relation to that Award.
- 5.6 Participants are not required to pay for the grant of Awards.
- 5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.

6. EVENTS PRIOR TO THE VESTING DATE

- 6.1 An Award shall, to the extent not yet Released, 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) subject to Rule 6.2(b), in the event a Participant being an Employee ceases to be in the employment of the Group as a full time employee, or if a Participant being a Group Executive Director or Group Non-Executive Director, ceases to be a Director;
 - (c) in the event of an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 6.1(b), 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.

6.2 In any of the following events, namely:

- (a) 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 an Award;
- (b) in the event a Participant being an Employee ceases to be in the employment of the Group as a full time employee, or if a Participant being a Group Executive Director or Group Non-Executive Director, ceases to be a Director by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group;
 - (vi) (where applicable) his transfer of employment between companies within the Group; or
 - (vii) any other event approved by the Committee;
- (c) the death of a Participant; or
- (d) any other event approved by the Committee,

the Committee may, in its absolute discretion, subject to any legal or regulatory requirements, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Release and Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the Plan. 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 Condition has been satisfied.

6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by shareholders of the Company and/or sanctioned by the court under the Act; or
- (c) an order being made or a resolution being passed for the winding up of the Company (other than as provided in Rule 6.1(c) or for amalgamation or reconstruction),

Shares which are the subject of any Award shall be Released and Vested if the Participant meets the relevant Performance Conditions:

- (i) (in the case of (a) above) 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 6 months thereafter, unless prior to the expiry of such 6-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (in either case, being a date falling not later than the last date on which the Performance Conditions are to be met); or
 - (b) the date of expiry of the period for which the Performance Conditions are to be met, provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Companies Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Participant shall be obliged to meet such Performance Conditions until the expiry of such specified date or the expiry date of the Performance Conditions relating thereto, whichever is earlier, before an Award can be vested.
- (ii) (in the case of (b) above) within the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later; and
- (iii) (in the case of (c) above) prior to the date that such winding-up shall be deemed to have been commenced or effective in law.

Notwithstanding the foregoing, the Committee will consider, at its absolute discretion, whether or not to cancel any Award or Release and Vest some or all of the Shares which are the subject of any Award in such event, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant or arrangements made for the compensation of Participants, whether by payment of cash or any other form of benefit. If the Committee decides to Release any Award, then in determining the number of Shares to be vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has lapsed and the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 7.

7. RELEASE OF AWARDS

7.1 Review of Performance Condition

- (a) As soon as reasonably practicable after the end of each Performance Period, the Committee shall review the Performance Condition specified in respect of each Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied, and provided that the relevant Participant has continued to be a Employees, Group Executive Directors or Group Non-Executive Directors from the Award Date up to the end of the Performance Period, shall Release to that Participant all or part (as determined by the Committee at its discretion in the case where the Committee has determined that there has been partial satisfaction of the Performance Condition) of the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date. If not, the Awards shall lapse and be of no value.
If the Committee determines in its sole discretion that the Performance Condition has not been satisfied or (subject to Rule 6) if the relevant Participant has not continued to be a Employees,

Group Executive Directors or Group Non-Executive Directors from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 to 7.4 shall be of no effect.

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

- (b) Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be a Trading Day falling as soon as practicable after the review by the Committee referred to in Rule 7.1(a) and, on the Vesting Date, the Committee will procure the allotment or transfer to each Participant of the number of Shares so determined.
- (c) Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the Sponsor and/or the SGX-ST and any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of such Shares.

7.2 Release of Award

On Vesting of the Award, after the end of each Performance Period, the Committee has the discretion to determine whether to issue new Shares or to procure the transfer of existing Shares, or a combination of both methods to the Participant. Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of the securities account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent, in each case, as designated by that Participant.

7.3 Ranking of Shares

New Shares issued and allotted, and existing Shares procured by the Company for transfer, on the Release of an Award shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the date of issue, 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.

7.4 Cash Awards

The Committee, in its absolute discretion, may determine to make a Release of an Award, wholly or partly, in the form of cash rather than Shares, in which event the Participant shall receive on the Vesting Date, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on Release of his Award, the aggregate Market Value of such Shares on the Vesting Date.

7.5 Moratorium

Shares which are issued and allotted or transferred to a Participant pursuant to the Release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period, except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.

8. LIMITATIONS ON THE SIZE OF THE PLAN

- 8.1 The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Plan on any date, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all Awards granted under the Plan; and (ii) all Shares issued and issuable and/or transferred or transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed 15% of the issued and paid-up share capital (excluding treasury shares) of the Company on the day preceding the relevant date of the Award.
- 8.2 In addition, the number of Shares available to Controlling Shareholders or Associates of a Controlling Shareholder under this Plan are subject to the limits stated in Rule 5.2 above.
- 8.3 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 Plan.

9. ADJUSTMENT EVENTS

- 9.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalization of profits or reserves or rights issue or reduction) shall take place, then:

- (a) the class and/or number of Shares which is/are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a shareholder does not receive.

- 9.2 Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares 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.
- 9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
- 9.4 Upon any adjustment required to be made pursuant to this Rule 9, 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 nominal amount, class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

10. ADMINISTRATION OF THE PLAN

- 10.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

- 10.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.
- 10.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Plan;
 - b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
 - (c) any decision or determination of the Committee made pursuant to any provision of the Plan.

11. NOTICES AND COMMUNICATIONS

- 11.1 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.
- 11.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice 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 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

12. MODIFICATIONS TO THE PLAN

- 12.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by a resolution of the Committee in compliance with the Listing Manual, except that:
- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three quarters of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full;
 - (b) no alteration shall be made to the rules of the Plato PSP 2016 to the advantage of the Participants except with the prior approval of Shareholders in general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

For the purposes of Rule 12.1(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 12.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Plan in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

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

13. TERMS OF EMPLOYMENT UNAFFECTED

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

14. DURATION OF THE PLAN

14.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of five (5) years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

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

14.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

15. TAXES

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

16. COSTS AND EXPENSES OF THE PLAN

16.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of

share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

- 16.2 Save for the taxes referred to in Rule 15 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer, of Shares pursuant to the Release of any Award, shall be borne by the Company.

17. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on Catalist in accordance with Rule 7.1(c).

18. DISCLOSURES IN ANNUAL REPORTS

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:

- (a) the names of the members of the Committee administering the Plan;
- (b) in respect of the following Participants:
 - (i) Directors of the Company;
 - (ii) Controlling Shareholders and their Associates; and
 - (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent 5% or more of the aggregate number of new Shares available under the Plan;

the following information:

- (aa) the name of the Participant;
 - (bb) the aggregate number of Shares comprised in Awards granted during the financial year under review;
 - (ff) the aggregate number of Shares comprised in Awards granted since the commencement of the Plan to the end of the financial year under review;
 - (gg) the aggregate number of Shares comprised in Awards which have Vested under the Plan since the commencement of the Plan to the end of the financial year under review ; and
 - (hh) the aggregate number of Shares comprised in Awards which have not yet Vested, as at the end of the financial year under review .
- (c) in relation to the Plan:
- (i) the aggregate number of Shares comprised in Awards which have Vested under the Plan since the commencement of the Plan to the end of the financial year under review;

- (ii) the aggregate number of new Shares issued which are comprised in the Awards vested during the financial year under review; and
 - (iii) the aggregate number of Shares comprised in Awards which have not yet Released, as at 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 above is not applicable, an appropriate negative statement shall be included therein.

19. 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.

20. GOVERNING LAW

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

21. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B)

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

22. ELIGIBLE SHAREHOLDERS

Shareholders who are eligible to participate in the Plan must abstain from voting on any resolution relating to the Plan (other than a resolution relating to the participation of, or grant of options to, directors and employees of the issuer's parent company and its subsidiaries).

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PLATO CAPITAL LIMITED
(Company Registration No. 199907443M)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of **PLATO CAPITAL LIMITED** (the “Company”) will be held at Clove Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 on Friday 20 May 2016 at 10.30 a.m., for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

All capitalised terms used in this Notice of EGM which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 5 May 2016 (“Circular”).

ORDINARY RESOLUTION 1 - THE PROPOSED ACQUISITION

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 2:

- (a) approval be and is hereby given for the Proposed Acquisition by TPL of 74,194,973 ordinary shares of RM0.12 each or 25.89% of the total issued and paid-up capital of ECMLIB pursuant to the SSA dated 25 February 2016 and all transactions contemplated thereunder;
- (b) approval be and is hereby given for the Letter of Undertaking pursuant to which the Company has guaranteed the obligations of TPL under the SSA and all transactions contemplated thereunder; and
- (c) the Directors of the Company and each of them be and are hereby authorised and empowered to do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 2 - THE PROPOSED RCULS ISSUE

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTIONS 1 and 3, the proposed creation and issuance of RCULS by the Company which is convertible into Conversion Shares and Interest Shares on the terms and conditions of the RCULS Subscription Agreement and all transactions contemplated thereunder, be and are hereby approved, and for this purpose, approval be and is hereby given to the Directors:

- (a) for the Company to create and issue the RCULS, such RCULS to be convertible at the option of Mr LKO, into the Conversion Shares and Interest Shares in accordance with the RCULS Subscription Agreement;
- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) pursuant to section 161 of the Companies Act, to allot and issue such number of Conversion Shares and Interest Shares as may be required or permitted to be allotted or issued on the conversion of the RCULS and the Interest on the conversion thereof, subject to and otherwise in accordance with the terms and conditions of the RCULS Subscription Agreement; and
- (c) the Directors of the Company and each of them be and are hereby authorised and empowered to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 3 - THE PROPOSED WHITEWASH RESOLUTION

THAT the Shareholders (other than Mr LKO and parties acting in concert with him and the parties not independent of them), do hereby, unconditionally and irrevocably waive their rights to receive a general offer from Mr LKO, the Controlling Shareholder Concert Group and parties acting in concert with them in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers, for all the Shares not already owned by Mr LKO, the Controlling Shareholder Concert Group and parties acting in concert with them pursuant to the allotment and issuance of the Conversion Shares and/or the Interest Shares.

ORDINARY RESOLUTION 4 - THE PROPOSED ADOPTION OF THE PLATO ESOS 2016

THAT:

- (a) the share incentive scheme to be named the "Plato Employee Share Option Scheme 2016" (the "**Plato ESOS 2016**"), details of which are set out in the Circular be and is hereby approved and adopted; and
- (b) the directors of the Company (the "**Directors**") be and are hereby authorised:
 - (i) to establish and administer the Plato ESOS 2016;
 - (ii) to modify and/or amend the Plato ESOS 2016 from time to time provided that such modifications and/or amendments are effected in accordance with the rules of the Plato ESOS 2016 and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Plato ESOS 2016;
 - (iii) to offer and grant options (the "**Options**") in accordance with the rules of the Plato ESOS 2016;
 - (iv) pursuant to section 161 of the Companies Act, allot and issue or deliver from time to time such number of Shares as may be required pursuant to the exercise of the Options under the Plato ESOS 2016;
 - (v) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) pursuant to section 161 of the Companies Act, to allot and issue or deliver from time to time such number of Shares as may be required pursuant to the exercise of the Options under the Plato ESOS 2016 granted while this Resolution was in force,
 - (iv) to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 5 - THE PROPOSED ADOPTION OF THE PLATO PSP 2016

THAT:

- (a) the share incentive scheme to be named the “Plato Performance Share Plan 2016” (the “**Plato PSP 2016**”), details of which are set out in the Circular, be and is hereby approved and adopted; and
- (b) the Directors be and are hereby authorised:
 - (i) to establish and administer the Plato PSP 2016;
 - (ii) to modify and/or amend the Plato PSP 2016 from time to time provided that such modifications and/or amendments are effected in accordance with the rules of the Plato PSP 2016 and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Plato PSP 2016;
 - (iii) to grant awards (the “**Awards**”) in accordance with the rules of the Plato PSP 2016;
 - (iv) pursuant to section 161 of the Companies Act, to allot and issue or deliver from time to time such number of Shares required pursuant to the vesting of the Awards under the Plato PSP 2016;
 - (v) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) pursuant to section 161 of the Companies Act, to allot and issue or deliver from time to time such number of Shares required pursuant to the vesting of the Awards under the Plato PSP 2016 granted while this Resolution was in force, and
 - (vi) to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 6 - THE PROPOSED PARTICIPATION OF MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER, IN THE PLATO ESOS 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 4, approval be and is hereby given for the participation of Mr Lim Kian Onn, a Controlling Shareholder, in the Plato ESOS 2016.

ORDINARY RESOLUTION 7 - THE PROPOSED PARTICIPATION OF MR GARETH LIM TZE XIANG, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO ESOS 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 4, approval be and is hereby given for the participation of Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, in the Plato ESOS 2016.

ORDINARY RESOLUTION 8 - THE PROPOSED PARTICIPATION OF MS LIM KIAN FAH, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO ESOS 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 4, approval be and is hereby given for the participation of Ms Lim Kian Fah, an Associate of a Controlling Shareholder, in the Plato ESOS 2016.

ORDINARY RESOLUTION 9 - THE PROPOSED PARTICIPATION OF MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER, IN THE PLATO PSP 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 5, approval be and is hereby given for the participation of Mr Lim Kian Onn, a Controlling Shareholder, in the Plato PSP 2016.

ORDINARY RESOLUTION 10 - THE PROPOSED PARTICIPATION OF MR GARETH LIM TZE XIANG, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO PSP 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 5, approval be and is hereby given for the participation of Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, in the Plato PSP 2016.

ORDINARY RESOLUTION 11 - THE PROPOSED PARTICIPATION OF MS LIM KIAN FAH, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO PSP 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 5, approval be and is hereby given for the participation of Ms Lim Kian Fah, an Associate of a Controlling Shareholder, in the Plato PSP 2016.

ORDINARY RESOLUTION 12 - THE PROPOSED GRANT OF OPTIONS TO MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER, IN THE PLATO ESOS 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTIONS 4 AND 6:

- (a) the proposed grant of Options comprising 1,378,761 Shares to Mr Lim Kian Onn, a Controlling Shareholder, under the Plato ESOS 2016 on the following terms be and is hereby approved;

Proposed date of grant of the Options : Date(s) to be determined by the Committee under the Plato ESOS 2016, which shall in no event be later than 30 days from the date of the EGM

Number of Shares comprised in the Options : 1,378,761 Shares

Exercise Price per Share : Market Price of S\$0.10, being the price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST, for the five (5) Trading Days immediately preceding the Latest Practicable Date

Vesting Schedule : 1/3 of the Options shall be exercisable at any time after the 1st anniversary of the Offering Date

1/3 of the Options shall be exercisable at any time after the 2nd anniversary of the Offering Date

1/3 of the Options shall be exercisable at any time after the 3rd anniversary of the Offering Date

Expiry of the Options : 5th anniversary of the Offering Date

- (b) the Directors be and are hereby authorised to allot and issue Shares, or transfer existing Shares procured by the Company, upon the exercise of the abovementioned Options; and

- (c) the Directors be and are hereby authorised to set such other terms or conditions relating to the Options and to do all such acts and things (including executing all such documents as may be

required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 13 - THE PROPOSED GRANT OF OPTIONS TO MR GARETH LIM TZE XIANG, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO ESOS 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTIONS 4 AND 7:

- (a) the proposed grant of Options comprising 1,378,761 Shares to Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, under the Plato ESOS 2016 on the following terms be and is hereby approved;

Proposed date of grant of the Options : Date(s) to be determined by the Committee under the Plato ESOS 2016, which shall in no event be later than 30 days from the date of the EGM

Number of Shares comprised in the Options : 1,378,761 Shares

Exercise Price per Share : Market Price of S\$0.10, being the price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST, for the five (5) Trading Days immediately preceding the Latest Practicable Date

Vesting Schedule : 1/3 of the Options shall be exercisable at any time after the 1st anniversary of the Offering Date

1/3 of the Options shall be exercisable at any time after the 2nd anniversary of the Offering Date

1/3 of the Options shall be exercisable at any time after the 3rd anniversary of the Offering Date

Expiry of the Options : 10th anniversary of the Offering Date

- (b) the Directors be and are hereby authorised to allot and issue Shares, or transfer existing Shares procured by the Company, upon the exercise of the abovementioned Options; and

- (c) the Directors be and are hereby authorised to set such other terms or conditions relating to the Options and to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 14 - THE PROPOSED GRANT OF OPTIONS TO MS LIM KIAN FAH, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO ESOS 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTIONS 4 AND 8:

- (a) the proposed grant of Options comprising 1,378,761 Shares to Ms Lim Kian Fah, an Associate of a Controlling Shareholder, under the Plato ESOS 2016 on the following terms be and is hereby approved;

Proposed date of grant of the Options	:	Date(s) to be determined by the Committee under the Plato ESOS 2016, which shall in no event be later than 30 days from the date of the EGM
Number of Shares comprised in the Options	:	1,378,761 Shares
Exercise Price per Share	:	Market Price of S\$0.10, being the price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST, for the five (5) Trading Days immediately preceding the Latest Practicable Date
Vesting Schedule	:	1/3 of the Options shall be exercisable at any time after the 1 st anniversary of the Offering Date 1/3 of the Options shall be exercisable at any time after the 2 nd anniversary of the Offering Date 1/3 of the Options shall be exercisable at any time after the 3 rd anniversary of the Offering Date
Expiry of the Options	:	10 th anniversary of the Offering Date

- (b) the Directors be and are hereby authorised to allot and issue Shares, or transfer existing Shares procured by the Company, upon the exercise of the abovementioned Options; and
- (c) the Directors be and are hereby authorised to set such other terms or conditions relating to the Options and to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 15 - THE PROPOSED GRANT OF AWARDS TO MR LIM KIAN ONN, A CONTROLLING SHAREHOLDER, IN THE PLATO PSP 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 5 AND 9:

- (a) the proposed grant of an Award comprising 689,381 Shares to Mr Lim Kian Onn, a Controlling Shareholder, under the Plato PSP 2016 as set out in the Circular be and is hereby approved;
- (b) the Directors be and are hereby authorised to allot and issue Shares, or transfer existing Shares procured by the Company, upon the release of the abovementioned Award; and
- (c) the Directors be and are hereby authorised to set such other terms or conditions relating to the Award and to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 16 - THE PROPOSED GRANT OF AWARDS TO MR GARETH LIM TZE XIANG, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO PSP 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 5 AND 10:

- (a) the proposed grant of an Award comprising 689,381 Shares to Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, under the Plato PSP 2016 as set out in the Circular be and is hereby approved;
- (b) the Directors be and are hereby authorised to allot and issue Shares, or transfer existing Shares procured by the Company, upon the release of the abovementioned Award; and
- (c) the Directors be and are hereby authorised to set such other terms or conditions relating to the Award and to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

ORDINARY RESOLUTION 17 - THE PROPOSED GRANT OF AWARDS TO MS LIM KIAN FAH, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE PLATO PSP 2016

THAT SUBJECT TO AND CONTINGENT UPON THE PASSING OF ORDINARY RESOLUTION 5 AND 11:

- (a) the proposed grant of an Award comprising 689,381 Shares to Ms Lim Kian Fah, an Associate of a Controlling Shareholder, under the Plato PSP 2016 as set out in the Circular be and is hereby approved;
- (b) the Directors be and are hereby authorised to allot and issue Shares, or transfer existing Shares procured by the Company, upon the release of the abovementioned Award; and
- (c) the Directors be and are hereby authorised to set such other terms or conditions relating to the Award and to do all such acts and things (including executing all such documents as may be required) as they or he may consider desirable, expedient or necessary or in the interests of the Company to give effect to this Resolution and all actions taken by the Directors of the Company or any of them which would have been authorised by any of the foregoing resolutions but were taken prior to the date hereof be and are hereby severally approved, confirmed and ratified in all respects.

By Order of the Board

Low Geok Eng Susie
Secretary
Singapore

5 May 2016

Notes:

1. (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of share shall be specified)

“Relevant intermediary” means:
 - (i) a banking corporation licensed under the Banking Act Chapter 19 of Singapore 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;
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act Chapter 289 of Singapore and who holds shares in that capacity; or
 - (iii) the Central Provident Fund Board established by the Central Provident Fund Act Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that 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 Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
2. A proxy need not be a member of the Company.
3. An instrument appointing a proxy must be deposited at 50 Raffles Place #32-01 Singapore Land Tower Singapore 04862350 not less than 48 hours before the time for holding the EGM or any adjournment thereof.
4. 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.
5. The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies 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) 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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PLATO CAPITAL LIMITED
(Company Registration No. 199907443M)
(Incorporated in the Republic of Singapore)

PROXY FORM
Extraordinary General Meeting

IMPORTANT

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than 2 proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies to buy the Company's shares, this Circular is forwarded to them at the request of their 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.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes to

I / We _____ (Name), NRIC/Passport No. _____
of _____ (Address)
being a member(s) of **PLATO CAPITAL LIMITED** (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholding (%)
Address		

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholding (%)
Address		

or failing whom the Chairman of the Extraordinary General Meeting (the "Meeting") as my/our proxy/proxies to vote for me/us on my/our behalf at the Meeting to be held at Clove Room, Level 5, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 on Friday, 20 May 2016 at 10.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Ordinary Resolution	Number of votes For*	Number of votes Against*
1.	The Proposed Acquisition		
2.	The Proposed RCULS Issue		
3.	The Proposed Whitewash Resolution		
4.	The Proposed Adoption of the Plato ESOS 2016		
5.	The Proposed Adoption of the Plato PSP 2016		
6.	The Proposed Participation of Mr Lim Kian Onn, a Controlling Shareholder, in the Plato ESOS 2016		
7.	The Proposed Participation of Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, in the Plato ESOS 2016		
8.	The Proposed Participation of Ms Lim Kian Fah, an Associate of a Controlling Shareholder, in the Plato ESOS 2016		
9.	The Proposed Participation of Mr Lim Kian Onn, a Controlling Shareholder, in the Plato PSP 2016		

10.	The Proposed Participation of Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, in the Plato PSP 2016		
11.	The Proposed Participation of Ms Lim Kian Fah, an Associate of a Controlling Shareholder, in the Plato PSP 2016		
12.	The Proposed Grant of Options to Mr Lim Kian Onn, a Controlling Shareholder, under the Plato ESOS 2016		
13.	The Proposed Grant of Options to Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, under the Plato ESOS 2016		
14.	The Proposed Grant of Options to Ms Lim Kian Fah, an Associate of a Controlling Shareholder, under the Plato ESOS 2016		
15.	The Proposed Grant of Award to Mr Lim Kian Onn, a Controlling Shareholder, under the Plato PSP 2016		
16.	The Proposed Grant of Award to Mr Gareth Lim Tze Xiang, an Associate of a Controlling Shareholder, under the Plato PSP 2016		
17.	The Proposed Grant of Award to Ms Lim Kian Fah, an Associate of a Controlling Shareholder, under the Plato PSP 2016		

* Note: If you wish to exercise all your votes “For” or “Against” the above resolution, please tick “V” within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this _____ day of _____, 2016

Total number of Shares held: (see Note 1)	No. of Shares
CDP Register	
Register of Members	

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes to Proxy Form

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

"Relevant intermediary" means:

- (i) a banking corporation licensed under the Banking Act Chapter 19 of Singapore 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;
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act Chapter 289 of Singapore and who holds shares in that capacity; or
 - (iii) the Central Provident Fund Board established by the Central Provident Fund Act Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that 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 Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
 4. An instrument appointing a proxy must be deposited at 50 Raffles Place #32-01 Singapore Land Tower Singapore 04862350 not less than 48 hours before the time for holding the Extraordinary General Meeting or any adjournment thereof.
 5. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting 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 Meeting.
 6. The instrument appointing a proxy or proxies must be under the hand of the appointer or by 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 common seal or under the hand of its attorney or a duly authorized officer.
 7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
 8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act.

9. The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies 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 Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (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.

