

**CIRCULAR DATED 11 JULY 2016**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt about the contents of this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Boustead Projects Limited, you should immediately forward this Circular, the notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. The approval of the SGX-ST shall not be taken as an indication of the merits of the new Boustead Projects Restricted Share Plan 2016.



**BOUSTEAD PROJECTS LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199603900E)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

- (1) THE PROPOSED ADOPTION OF THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016;**
- (2) THE PROPOSED PARTICIPATION OF THE ASSOCIATES OF A CONTROLLING SHAREHOLDER IN THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016; AND**
- (3) THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE**

**IMPORTANT DATES AND TIMES**

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|--|---|--|
| Last date and time for lodgement of Proxy Form | : | 26 July 2016 at 10.00 a.m.   |
| Date and time of Extraordinary General Meeting | : | 28 July 2016 at 10.00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting         | : | Room MR331, Level 3<br>Suntec Singapore Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593   |

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## DEFINITIONS

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

- "%” or “per cent.”* : Per centum or percentage.
- “Annual General Meeting” or “AGM”* : The Annual General Meeting of the Company.
- “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.
- “Associated Company”* : A company in which at least 20% but not more than 50% of its shares are held by the Company and over which the Company has control.
- “Award”* : An award of Shares granted under the Restricted Share Plan.
- “Award Date”* : The date on which an Award is granted pursuant to the Restricted Share Plan.
- “Award Letter”* : A letter in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee.
- “Board”* : The board of Directors of the Company as at the Latest Practicable Date.
- “CDP”* : The Central Depository (Pte) Limited.
- “Circular”* : This circular to Shareholders dated 11 July 2016.
- “Committee”* : The committee comprising Directors who are duly authorised and appointed by the Board to administer the Restricted Share Plan.
- “Companies Act”* : The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time.
- “Company” or “Boustead”* : Boustead Projects Limited.

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## DEFINITIONS

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<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>“Constitution”</i>	: Means the Memorandum and Articles of Association of the Company.
<i>“CPF”</i>	: Central Provident Fund.
<i>“CPFIS”</i>	: Central Provident Fund Investment Scheme.
<i>“CPF Approved Nominees”</i>	: Agent banks included under the CPFIS.
<i>“Directors”</i>	: The directors of the Company as at the Latest Practicable Date.
<i>“EGM”</i>	: The extraordinary general meeting of the Company to be held on 28 July 2016 at Room MR331, Level 3, Suntec Singapore Convention Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593, notice of which is given on page N-1 of this Circular.
<i>“EPS”</i>	: Earnings per Share.
<i>“Executive Director”</i>	: A Director who is a full-time employee and performs an executive function.
<i>“Executive Employee”</i>	: A confirmed employee of a Group Entity fulfilling at least an executive role, selected by the Committee to participate in the Restricted Share Plan, in accordance with the terms and conditions thereof.
<i>“FY”</i>	: Financial year ended, or as the case may be, ending 31 March.
<i>“Group”</i>	: The Company, its subsidiaries, its Associated Companies, and any separate legal entity (including but not limited to a limited partnership or limited liability partnership) in which the Company, any of its subsidiaries or Associated Companies is a partner or member
<i>“Group Entity”</i>	: Any legal entity within the Group.
<i>“Immediate Family”</i>	: 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.
<i>“Latest Practicable Date”</i>	: 17 June 2016, being the latest practicable date prior to the printing of this Circular.
<i>“Listing Manual”</i>	: The Listing Manual of the SGX-ST, as amended or modified from time to time.
<i>“Market Day”</i>	: A day on which SGX-ST is open for securities trading.
<i>“New Shares”</i>	: The new Shares which may be allotted and issued from time to time pursuant to the grant of Awards.

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## DEFINITIONS

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<i>“Non-Executive Director”</i>	: A Director for the time being of the Company who is not an Executive Director.
<i>“Notice of EGM”</i>	: The notice of the EGM as set out on page N-1 of this Circular.
<i>“NTA”</i>	: Net tangible assets.
<i>“Ordinary Resolutions”</i>	: The ordinary resolutions as set out in the Notice of EGM.
<i>“Participant”</i>	: A person who has been invited by the Company to participate in the Restricted Share Plan.
<i>“Participation Letter”</i>	: The Company’s letter inviting a Participant to participate in the Restricted Share Plan.
<i>“Performance Conditions”</i>	: In relation to an Award, the performance target and/or service conditions specified by the Committee in the Participation Letter in relation to that Participant.
<i>“Performance Period”</i>	: A period of at least one (1) year (or such other time period as the Committee may determine in its sole discretion), during which the Performance Conditions are to be satisfied.
<i>“Proxy Form”</i>	: The proxy form in respect of the EGM as set out in this Circular.
<i>“Record Date”</i>	: The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions.
<i>“Restricted Share Plan”</i>	: The proposed Boustead Projects Restricted Share Plan 2016, as may be amended or modified from time to time.
<i>“Retention Period”</i>	: Such retention period as may be determined by the Committee and notified to the Participant at the grant of the relevant Award to that Participant.
<i>“S\$” or “cents”</i>	: Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore.
<i>“Securities Account”</i>	: The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent.
<i>“SGX-ST”</i>	: Singapore Exchange Securities Trading Limited.
<i>“Share Buy-back”</i>	: The purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate
<i>“Share Buy-back Mandate”</i>	: Has the meaning ascribed to it in Section 1.1(c) of this Circular.
<i>“Shareholders”</i>	: Persons (other than CDP) who are for the time being registered as holders of Shares in the Register of Members maintained by the Company and Depositors who have Shares entered against their names in the Depository Register.
<i>“Shares”</i>	: Ordinary shares in the capital of the Company.

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## DEFINITIONS

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<i>“Treasury Shares”</i>	: Has the meaning ascribed to it in Section 4 of the Companies Act.
<i>“Vest”</i>	: The absolute entitlement to all or some of the Shares which are the subject of an Award and <i>“Vested”</i> and <i>“Vesting”</i> shall be construed accordingly.
<i>“Vesting Date”</i>	: The date(s) immediately falling after the end of the Vesting Period, being the date on which the Shares which are the subject of an Award have vested pursuant to the rules of the Restricted Share Plan.
<i>“Vesting Period”</i>	: The period as described in section 2.2(i) of this Circular, which is subject to amendment at the sole discretion of the Committee.

In this Circular:-

- (i) The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meaning ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.
- (ii) The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act.
- (iii) 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.
- (iv) References to persons shall include corporations.
- (v) The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.
- (vi) Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.
- (vii) Any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated.
- (viii) Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

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## LETTER TO SHAREHOLDERS

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### **BOUSTEAD PROJECTS LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199603900E)

#### **Directors:**

Mr John Lim Kok Min (*Chairman & Independent Non-Executive Director*)  
Mr Wong Yu Wei (Huang Youwei) (*Deputy Chairman & Executive Director*)  
Mr Chu Kok Hong @ Choo Kok Hong (*Managing Director and Executive Director*)  
Dr Tan Khee Giap (*Independent Non-Executive Director*)  
Mr James Lim Jit Teng (*Independent Non-Executive Director*)  
Mr Chong Lit Cheong (*Independent Non-Executive Director*)

#### **Registered Office:**

82 Ubi Avenue 4, #07-01  
Edward Boustead Centre  
Singapore 408832

11 July 2016

## LETTER TO SHAREHOLDERS

**To: The Shareholders of Boustead Projects Limited**

Dear Sir / Madam,

- (1) **THE PROPOSED ADOPTION OF THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016;**
- (2) **THE PROPOSED PARTICIPATION OF THE ASSOCIATES OF A CONTROLLING SHAREHOLDER IN THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016; AND**
- (3) **THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE**

### **1. INTRODUCTION**

#### **1.1 EGM**

The Directors are proposing to convene an EGM to seek Shareholders' approval in relation to the following matters:-

- (a) the proposed adoption of the Restricted Share Plan;
- (b) the proposed participation of the Associates of a Controlling Shareholder of the Company in the Restricted Share Plan; and
- (c) the general and unconditional mandate to be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares (the "**Share Buy-Back Mandate**") upon and subject to the terms of the Share Buy-back Mandate, details of which are set out in this Circular.

#### **1.2 Circular**

The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the matters set out in Section 1.1 of this Circular and to seek Shareholders' approval at the EGM as set out in the Notice of EGM on page N-1 of this Circular.

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## LETTER TO SHAREHOLDERS

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### 1.3 Listing of New Shares

SGX-ST had on 4 July 2016 granted in-principle approval for the listing and quotation of the New Shares on the Official List of the SGX-ST, subject to, *inter alia*, Shareholders' approval for the Restricted Share Plan, and the Company's compliance with SGX-ST's listing requirements and guidelines. Such in-principle approval and the admission to, and quotation of the New Shares on the Official List of SGX-ST is not to be taken as an indication of the merits of the Company and/or its subsidiaries, the Shares, the New Shares and/or the Restricted Share Plan.

## 2. THE PROPOSED ADOPTION OF THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016

### 2.1 Rationale for the Restricted Share Plan

#### Executive Employees

The aim of the Directors in proposing the adoption of the Restricted Share Plan is to establish a long term incentive plan for Executive Employees across various businesses. This plan in turn serves several other purposes.

In pegging remuneration of such Executive Employees to the overall performance of the Group, the Restricted Share Plan can serve to motivate such persons to maximise the profits of the Group and thereby also maximise shareholder returns.

Additionally, in light of the fact that potential employees who decide on a career switch often have to give up substantial share options or other incentives when they join the Group, the Group believes that allowing such Executive Employees to benefit from the value of the Company that they have helped to generate will help to attract and retain key talent in the Group. This will further strengthen the quality of the Group's workforce, placing it in a better position to take advantage of future opportunities, whether for expansion or diversification, should the Directors think fit to do so.

Pegging the remuneration of Executive Employees will also serve to align management compensation with value created to Shareholders. This supplements the rationales above in that any such benefit to Executive Employees exists only if there is a corresponding benefit to the Group and Shareholders.

The Board is also of the view that the Restricted Share Plan will give recognition to the selected employees, thereby promoting commitment, dedication and instilling loyalty to the Group. This will result in stronger identification by Executive Employees with the long-term prosperity of the Group.

#### Non-Executive Directors

It is also intended that Non-Executive Directors will be eligible to participate in the Restricted Share Plan. Although Non-Executive Directors are not involved in the day-to-day running of the Group, they play a crucial role in aiding the Group in the determination of its business strategy and furthering the business interest of the Group with their significant knowledge and expertise. The Group is also able to tap on their different backgrounds and diverse working experiences. Non-Executive Directors also serve an important function in ensuring good corporate governance of the Group through their appointments as members of the Audit Committee, Remuneration Committee and Nominating Committee of the Company.



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## LETTER TO SHAREHOLDERS

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Allowing Non-Executive Directors to participate in the Restricted Share Plan will give them a stake in the Company while providing the Company with additional flexibility in compensating Non-Executive Directors for their services and enabling the Company to attract and retain experienced and qualified individuals from a wide range of professional backgrounds to join the Company.

In order to maintain the independence of Non-Executive Directors, the rules of the Restricted Share Plan provide that Non-Executive Directors who are members of the Committee shall not be involved in the deliberations or votes in respect of any Awards granted to him. The Company does not expect the grant of Awards to Non-Executive Directors to compromise their independence as it is envisaged that the number of Awards to be granted to such persons will be relatively modest.

### 2.2 Summary of the Rules of the Restricted Share Plan

The rules of the Restricted Share Plan are set out in Appendix A of this Circular. A summary of the rules is as follows:-

(a) Eligibility

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

- (i) Executive Employees and Non-Executive Directors who have attained the age of 21 on or before the Award Date and who are not undischarged bankrupts; and
- (ii) the Associates of Controlling Shareholders who qualify under sub-paragraph (i) above.

An Executive Employee is an employee of a Group Entity fulfilling at least an executive role (including any Executive Director), selected by the Committee to participate in the Restricted Share Plan, in accordance with the terms and conditions thereof.

(b) Participant Selection

The selection of a Participant shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as the title, job performance, seniority, creativity, innovativeness, entrepreneurship, potential for future development, length of service, contribution to the success and development of the Company and if applicable, the extent of effort and resourcefulness required to achieve the Performance Conditions within the Performance Period, subject to such limits as may be prescribed by the SGX-ST.

(c) Size of the Restricted Share Plan

The aggregate number of Shares over which the Committee may grant Awards on any date, when added to the aggregate number of Shares issued and/or issuable in respect of:-

- (i) all Awards granted under the Restricted Share Plan; and
- (ii) any other share scheme which the Company may implement from time to time,

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## LETTER TO SHAREHOLDERS

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

The aggregate number of Shares over which the Committee may grant Awards to Controlling Shareholders and their Associates under the Restricted Share Plan, shall not exceed 25% of the Shares available under the Restricted Share Plan, provided always that the number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Restricted Share Plan.

(d) Participation Letter

The Committee shall determine in its sole discretion and set out in the Participation Letter, the following:

- (i) the Performance Period; and
- (ii) the Performance Conditions which shall be set according to the specific roles of each Participant, and which may differ from Participant to Participant.

(e) Acceptance of Terms of Participation Letter

A Participant shall accept the terms and conditions of the Participation Letter within thirty (30) days from the date of the Participation Letter. Thereafter, the Participant shall be bound by the Performance Conditions. If the Participation Letter is not accepted by the Participant within thirty (30) days from the date of the Participation Letter, the invitation shall, upon the expiry of the thirty (30) day period automatically lapse and be null and void.

(f) Grant of Awards

Subject to the fulfilment of the Performance Condition and the absolute discretion of the Committee, the Award may be granted to a Participant. An Award represents the right of a Participant to receive Shares in the Company in accordance with the rules of the Restricted Share Plan and the Listing Manual.

The Committee may grant Awards in its absolute discretion at any time during the period when the Restricted Share Plan is in force, except that no Award shall be granted during the period of one (1) month immediately preceding the date of announcement of the Company's full-year results and two (2) weeks before the announcement of the results of the Company for each of the first, second and third quarters of its FY (as the case may be).

In addition, in the event that an announcement of any matter of an exceptional nature involving unpublished price sensitive information is made, the Committee may only grant the Award on or after the second Market Day after such announcement has been released.

(g) Details of Awards

The Committee shall decide, in its absolute discretion, in relation to each Award to be granted to a Participant under the Restricted Share Plan:-

- (i) the Participant;

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## LETTER TO SHAREHOLDERS

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- (ii) the Award Date;
- (iii) the number of Shares which are the subject of an Award;
- (iv) the extent to which Shares which are the subject of that Award shall be Vested on the Performance Conditions being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;
- (v) the Vesting Period(s) (if any);
- (vi) the Retention Period(s) (if any);
- (vii) the release schedule (if any) setting out the extent to which Shares, which are the subject of that Award, shall be Vested at the end of each prescribed Vesting Period; and
- (viii) any other condition which the Committee may determine in relation to that Award.

The Awards granted under the Restricted Share Plan are:

(i) Performance-based Awards

Eligibility for performance-based Awards is limited to Executive Employees who have been approved by the Committee. Such Awards will entitle the Participants to be allotted Shares or receive cash in lieu of such Shares upon satisfactory achievement of pre-determined performance conditions.

The Awards will fully vest in Participants on dates beyond the date of satisfaction of Performance Conditions. This is to encourage Participants to continue serving the Company beyond the achievement date of the Performance Conditions.

(ii) Time-based Awards

Eligibility for time-based Awards is limited to Non-Executive Directors. Such Awards entitle Participants to be allotted Shares after the satisfactory completion of time-based service conditions. Generally, time-based Awards are intended to be used to attract and/or retain new talent.

An Award shall be personal to the Participant to whom it is granted and no Award shall be transferred, charged, assigned, pledged or otherwise disposed of or encumbered, in whole or in part, unless approved by 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, that Award shall immediately lapse.

(h) Events Prior to Vesting Date

Notwithstanding that a Participant may have satisfied his prescribed Performance Conditions, an Award (to the extent granted but not yet vested) shall, unless otherwise decided by the Committee in its sole and absolute discretion, immediately lapse and become void and cease to be of any effect, without any claim whatsoever against the Company on the occurrence of any of the following events prior to the Vesting Date:-

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## LETTER TO SHAREHOLDERS

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- (i) misconduct on the part of the Participant as determined by the Committee in its discretion;
- (ii) the Participant, for any reason whatsoever (whether by reason of wrongful dismissal or otherwise) ceases to be employed as an Executive Employee or Non-Executive Director (as the case may be);
- (iii) the company or entity by which the Participant is employed ceases to be a Group Entity;
- (iv) the Participant commits a breach of any of the terms of his Award; and/or
- (v) the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal and beneficial ownership of an Award.

If a Participant ceases to be an Executive Employee or Non-Executive Director (as the case may be), prior to the Vesting Date, by reason of his ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee, redundancy, retirement at or after a legal retirement age or retirement before that age with the consent of the Committee, the Participant dies prior to the Vesting Date, or upon any other event approved by the Committee in writing, then the Committee may, in its absolute discretion, preserve all or any part of an Award and decide as soon as reasonably practicable following such event either to 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 Vesting Period and subject to the rules of the Restricted Share Plan.

For the purposes of sub-paragraph 2.2(h)(ii) above, the Participant shall be deemed to have ceased to be so employed as at the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, no Award shall lapse pursuant to sub-paragraph 2.2(h)(ii) in the event of a transfer of employment of a Participant between Group Entities.

(i) Vesting of Awards

Subject to amendment at the absolute discretion of the Committee, it is intended that the Awards will typically vest in Participants in four tranches over the following Vesting Periods:

- (1) First tranche: Vesting Period of within three (3) months from the end of the relevant financial year in respect of which the Award is granted;
- (2) Second tranche: Vesting Period of within one (1) month from the end of the next consecutive financial year;
- (3) Third tranche: Vesting Period of within one (1) month from the end of the second consecutive financial year; and
- (4) Fourth tranche: Vesting Period of within one (1) month from the end of the third consecutive financial year.

Until the issue or transfer of the Shares to a Participant under an Award has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

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## LETTER TO SHAREHOLDERS

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(j) Operation of the Restricted Share Plan

Subject to the Listing Manual and other prevailing legislation, the Company, in its sole and absolute discretion, will deliver Shares to Participants upon vesting of their Awards by way of:-

- (i) an issue and allotment of New Shares; or
- (ii) a transfer of existing Shares, whether such existing Shares are acquired pursuant to a share buyback mandate or (to the extent permitted by law) held as Treasury Shares.

The Committee shall have the discretion to determine whether the Performance Conditions have 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 Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary or exceptional events, and further the right to amend the Performance Conditions if the Committee decides at its absolute discretion that a changed performance target would be a fairer measure of performance.

In determining whether to issue New Shares or transfer existing Shares upon the vesting of an Award, 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 financial effect on the Company of either issuing New Shares or transferring Shares.

(k) Issue and Allotment and/or Transfer of Shares

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

- (i) be subject to all the provisions of the Constitution of the Company; and
- (ii) rank in full for all entitlements, including dividends, rights, allotments or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

Shares which are allotted and issued or transferred (as the case may be) to a Participant pursuant to the Vesting of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period (if any), 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.

(l) Duration

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

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## LETTER TO SHAREHOLDERS

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The Restricted Share Plan may be terminated at any time by the Committee and by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Restricted Share Plan is so terminated, no further Awards shall be granted by the Company.

The expiry or termination of the Restricted Share Plan shall not affect such Awards which have been granted and accepted as provided therein, whether such Awards have vested (whether fully or partially) or not.

(m) Adjustment Events

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, reduction, subdivision, consolidation, distribution or otherwise) shall take place:-

- (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 in respect of which future Awards may be granted under the Restricted Share Plan,

shall be adjusted by the Committee to give each Participant the same proportion of the equity capital of the Company as that to which he was previously entitled and, in doing so, the Committee shall determine at its own discretion the manner in which such adjustment shall be made and any adjustment must be confirmed in writing by the auditors of the Company for the time being or an independent public accountant as appointed by the Company (acting as experts and not as arbitrators) to be, in their opinion, fair and reasonable. No such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive.

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

- (1) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;
- (2) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to the Vesting of Awards from time to time under the Restricted Share Plan or any other share-based incentive schemes implemented by the Company); or
- (3) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period while a share buy-back mandate granted by Shareholders (or any renewal thereof) is in force.

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 class and/or number of Shares thereafter to be issued or transferred on the vesting of an Award.

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## LETTER TO SHAREHOLDERS

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(n) Administration of the Restricted Share Plan

The Restricted Share 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 to be granted to him or held by him.

In the event where any of the members of the Committee are to abstain from any deliberation or decision in respect of Awards to be granted to him or held by him and the remaining members of the Committee are unable to come to a majority decision in relation to the grant of such an Award, the chairman of the Board shall have a casting vote.

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 Restricted Share Plan) for the implementation and administration of the Restricted Share Plan and/or to enhance the benefit of the Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the interpretation of the Restricted Share Plan, and any dispute and uncertainty as to the interpretation of the Restricted Share Plan, any rule, regulation or procedure thereunder or any rights under the Restricted Share Plan shall be determined by the Committee.

### **2.3 Participation by Executive Employees of Associated Companies and associated Group Entities, in the Restricted Share Plan**

The Company recognises that Executive Employees of Associated Companies (being a company in which at least 20% but not more than 50% of its shares are held by the Company and over which the Company has control) and associated Group Entities (including BP-Vista LLP and BP SF Turbo LLP) contribute to the growth, development and success of the Company and acknowledges that there should be other means of rewarding such persons apart from the usual cash remuneration. The Company therefore proposes that these persons be eligible to participate in the Restricted Share Plan to provide the flexibility of combining Award(s) with the usual cash remuneration for a more attractive remuneration package. This will motivate Executive Employees of Associated Companies and associated Group Entities to improve their level of performance and also to aid their retention and continued contribution to Associated Companies which would in turn result in benefits to the Company.

In deciding whether to grant Award(s) to Executive Employees of Associated Companies and associated Group Entities, the Company will consider, *inter alia*, the contributions of such individuals to the success and development of the Company before selecting them for participation in the Restricted Share Plan. For the purposes of assessing their contributions, the Committee may adopt a performance framework which incorporates financial and/or non-financial performance criteria.

### **2.4 Financial Effects of the Restricted Share Plan**

The financial effects of the Company granting the Awards under the Restricted Share Plan are as follows:-

(a) Cost of Awards

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

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## LETTER TO SHAREHOLDERS

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

The amount charged to the income statement also depends on whether or not the Performance Condition attached to an Award is measured by reference to the market price of the Shares. This is known as a market condition. If the Performance Condition is a market condition, the probability of the Performance Condition being met is taken into account in estimating the fair value of the Award granted at the grant date, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met. However, if the Performance Condition is not a market condition, the fair value per Share of the Awards granted at the grant date is used to compute the amount to be charged to 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, where the Vesting conditions do not include a market condition, there would be no cumulative charge to the income statement if the Awards do not ultimately Vest.

(b) Share Capital

The Restricted Share Plan will result in an increase in the Company's issued share capital only if New Shares are issued to Participants. The number of New Shares issued will depend on, *inter alia*, the size of the Awards granted, and the prevailing market price of the Shares on the SGX-ST. However, if Treasury Shares are transferred and delivered to Participants in lieu of issuing New Shares, the Restricted Share Plan will have no impact on the Company's issued Share capital.

(c) NTA

The proposed Restricted Share Plan is likely to result in a charge to the Group's consolidated income statement over the period from the Award Date to the Vesting Date for the Awards. The amount of the charge will be computed in accordance with FRS 102. When New Shares are issued under the Restricted Share Plan, there would be no effect on the NTA. However, if instead of issuing New Shares to the Participants under the Restricted Share Plan, existing Shares are purchased for delivery to Participants, the NTA would be impacted by the cost of the Shares purchased.

It should be noted that the delivery of Shares to Participants under the proposed Restricted Share Plan will generally be contingent upon the Participants meeting prescribed Performance Conditions and/or service conditions or being recognised as having performed and made contributions to the Company or such other conditions, if any.

(d) EPS

The Restricted Share Plan is likely to result in a charge to the Group's consolidated income statement over the period from the Award Date to the Vesting Date of the Awards. The amount of the charge will be computed in accordance with FRS 102.



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## LETTER TO SHAREHOLDERS

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It should again be noted that the delivery of Shares to Participants under the proposed Restricted Share Plan will generally be contingent upon the Participants meeting prescribed Performance Conditions and/or service conditions or being recognised as having performed and made contributions to the Company or such other conditions, if any.

(e) Dilutive Impact

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

### **3. THE PROPOSED PARTICIPATION OF THE ASSOCIATES OF A CONTROLLING SHAREHOLDER IN THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016**

#### **3.1 Rationale**

The main objective of the proposed Restricted Share Plan is to motivate Executive Employees to maximise shareholders' returns, attract and retain key talent and align employee compensation with value created to Shareholders.

Allowing Associates of Controlling Shareholders to participate in the Restricted Share Plan provides an opportunity for eligible Executive Employees who are Associates of Controlling Shareholders who have contributed significantly to the growth and performance of the Group to participate in the equity of the Company.

The Group recognises that its Executive Employees play an important role in serving and contributing to the Group and the extension of the Restricted Share Plan to include them will allow the Group to have a fair and equitable system to reward such deserving Executive Employees. This will further encourage them to continue to make important contributions to the long-term growth of the Group notwithstanding that they are Associates of Controlling Shareholders.

The Directors are of the view that Executive Employees of the Group who are also Associates of Controlling Shareholders should be remunerated for their contribution to the Group on the same basis as other Executive Employees of the Group who are not Associates of Controlling Shareholders. Although Associates of Controlling Shareholders already have shareholding interests in the Company, allowing Associates of Controlling Shareholders to participate in the Restricted Share Plan will ensure that they are equally entitled to take part in and benefit from the Restricted Share Plan. The Restricted Share Plan is intended to be part of the remuneration package for Executive Employees of the Group, and the Directors are of the view that Executive Employees who are Associates of Controlling Shareholders should not be unduly discriminated against by virtue only of their shareholding in the Company. The Directors are of the view that the extension of the Restricted Share Plan to Associates of Controlling Shareholders will allow the Group to retain the services of such Associates in the long term.

The Associates of Controlling Shareholders shall be treated equally for the purposes of the Restricted Share Plan. Accordingly, the Restricted Share Plan should not unduly favour Associates of Controlling Shareholders, and the terms and conditions of the Restricted Share Plan do not differentiate between the Associates of Controlling Shareholders from other Participants in determining the eligibility of such persons to participate in the Restricted Share Plan and be granted Awards thereunder. As such, the Associates of Controlling Shareholders would be subject to the same rules as those applicable to other participants. In this manner, the Restricted Share Plan would not unduly favour Associates of Controlling Shareholders over other Participants.

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The inclusion of Associates of Controlling Shareholders in the Restricted Share Plan also gives the Company more flexibility in designing more balanced and innovative remuneration packages that can better align the interests of the Associates of the Controlling Shareholders with those of the Shareholders and the Company.

The Directors (except for those who are Controlling Shareholders or their Associates) are of the view that the participation in the Restricted Share Plan by the Associates of Controlling Shareholders is in the best interests of the Company as such Associates of Controlling Shareholders will be able to set the direction of the Company, define objectives and roles of management and influence decisions made by the Company and thus stand in a unique position to contribute to the growth and prosperity of the Group.

### 3.2 Safeguards

As a safeguard against abuse, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations in respect of Award(s) to be granted to the Associates of Controlling Shareholders and the terms and conditions attached to such Award(s). The aggregate number of Shares over which the Committee may grant Awards to Controlling Shareholders and their Associates under the Restricted Share Plan, shall not exceed 25% of the Shares available under the Restricted Share Plan, Provided Always that the number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Restricted Share Plan.

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

The Company is of the view that there are sufficient safeguards against abuse resulting from the participation of the Associates of Controlling Shareholders in the Restricted Share Plan.

### 3.3 Associates of Controlling Shareholders

It is proposed that Mr Wong Yu Wei ("**Wong Yu Wei**"), the Associate of the Controlling Shareholder, Mr Wong Fong Fui, be entitled to participate in the proposed Restricted Share Plan.

Wong Yu Wei is the son of Mr Wong Fong Fui, and is therefore considered to be an Associate of Mr Wong Fong Fui.

## 4. PROPOSED PARTICIPATION OF MR WONG YU WEI, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE RESTRICTED SHARE PLAN

### 4.1 Rationale for the proposed participation by Mr Wong Yu Wei in the Restricted Share Plan

Wong Yu Wei joined the Company in 2009 and he currently holds the position of Deputy Chairman and Executive Director. In his current role, Wong Yu Wei is responsible for managing real estate investments, legal matters, development and execution of strategic alliances and joint ventures, as well as expanding business overseas. The Company considers that allowing Wong Yu Wei to participate in the Restricted Share Plan will align his interests with that of Shareholders and provide him with a greater incentive to advance the Group's interests.

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### 4.2 Grant of Awards to Wong Yu Wei

Pursuant to the Listing Manual and the rules of the Restricted Share Plan, the Company will seek the approval of independent Shareholders in the event that the Company intends to grant any Awards to Wong Yu Wei under the Restricted Share Plan.

## 5. PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

### 5.1 Information on the Share Buy-back Mandate

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by the Constitution, the Companies Act and the Listing Manual, and such other laws and regulations as may, for the time being, be applicable.

Rule 881 of the Listing Manual provides that a company may purchase its own shares if it has obtained the prior specific approval of shareholders in a general meeting. Accordingly, approval is being sought from the Shareholders at the EGM for the Share Buy-back Mandate. An ordinary resolution will be proposed, pursuant to which the Share Buy-back Mandate will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire Shares according to the terms of the Share Buy-back Mandate.

If approved by the Shareholders at the EGM, the authority conferred by the Share Buy-back Mandate will take effect from the date of the EGM and continue in force until the date on which the next AGM is held or required by law to be held, unless prior thereto, purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate have been carried out to the full extent mandated, or the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in a general meeting.

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) the Share Buy-back Mandate will provide the Company with greater flexibility in managing its capital and maximising return to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of the Company's financial needs, taking into account its growth and expansion plans, the Share Buy-back Mandate will facilitate the return to Shareholders of surplus funds in an expedient, effective and cost-efficient manner;
- (b) share buy-backs are one of the ways in which the return on equity of the Company may be improved, thereby increasing shareholder value;
- (c) share buy-backs allow the Board to exercise control over the Company's share structure with a view to enhancing the EPS and/or NTA value per Share;
- (d) share buy-backs may help mitigate short-term market volatility in the price of the Shares, offset the effects of short-term speculation and bolster Shareholders' confidence; and
- (e) the Share Buy-back Mandate will enable the Directors to utilise the Shares which are purchased or acquired thereunder and held as Treasury Shares to be sold for cash, transferred as consideration for the acquisition of shares in or assets of another company or assets of a person, or issued to employees as a form of compensation, which may be less dilutive than if new Shares were issued for this purpose.

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The Company will only purchase or acquire Shares pursuant to the Share Buy-back Mandate if it can benefit the Company and the Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position of the Company as a whole and/or affect the listing status of the Company on the SGX-ST.

It should be noted that there is no assurance that the proposed Share Buy-back Mandate will achieve the desired effect, nor is there assurance that such effect (if achieved) can be sustained in the longer term.

### 5.2 Authority and limitations of Share Buy-back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate, if approved at the EGM, are summarised below:

#### Maximum number of Shares

- (a) Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. Pursuant to Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buy-back Mandate shall not exceed 10% of the total number of issued Shares as at the date on which the resolution authorising the Share Buy-back Mandate is passed. In the event the Company has, at any time during the Relevant Period, effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, under the Companies Act, the issued share capital of the Company shall be taken to be the amount of the issued share capital of the Company as altered.

For the above purposes, “**Relevant Period**” means the period commencing from the date on which the resolution authorising the Share Buy-back Mandate is passed, and expiring on the date the next AGM is or is required by law to be held, whichever is the earlier.

- (b) Any Shares which are held as Treasury Shares shall be disregarded for the purposes of computing the 10% limit. As at the Latest Practicable Date, the Company does not hold any Treasury Shares.
- (c) **For illustrative purposes only**, based on 320,000,000 issued Shares as at the Latest Practicable Date, and assuming that (i) no further Shares are issued between the Latest Practicable Date and the date of the EGM and (ii) no Shares are held as Treasury Shares, the Company can purchase or acquire up to a maximum of 32,000,000 Shares (representing 10% of the total number of issued Shares as at the date of the EGM) during the Relevant Period pursuant to the Share Buy-back Mandate.

#### Duration of authority

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

- (a) the date on which the next AGM is held or is required by law to be held;
- (b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate are carried out to the full extent mandated; or

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- (c) the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in general meeting.

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

### Manner of purchases or acquisition of Shares

Pursuant to Rule 882 of the Listing Manual, purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases transacted through the SGX-ST's trading system ("**Market Purchase**"); and/or
- (b) off-market purchases in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**").

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-back Mandate, the Listing Manual, the Companies Act and all applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must satisfy all of the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers shall be the same except that there shall be disregarded:
  - (i) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
  - (ii) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
  - (iii) differences in the offers introduced solely to ensure that each Shareholder is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share Buy-back by the Company;
- (d) the consequences, if any, of share purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the proposed purchase or acquisition of Shares by the Company, if made, could affect the listing of the Company's equity securities on the SGX-ST;

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- (f) details of any share buy-back made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

### Purchase price

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition (the “**Maximum Price**”).

For the purposes of determining the Maximum Price:

- (a) “**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day on which the purchases are made, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and is deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period; and
- (b) “**date of the making of the offer**” means the date on which the Company makes an offer for the Off-Market Purchase from the Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### **5.3 Status of the purchased or acquired shares**

Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation) unless such Shares are held by the Company as Treasury Shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

### **5.4 Treasury Shares**

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

#### Maximum holdings

Pursuant to the Companies Act, the number of Shares held as Treasury Shares cannot at any time exceed 10% of the total number of issued Shares.

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### Voting and other rights

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

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets may be made, to the Company in respect of Treasury Shares. However, the allotment of shares as fully paid bonus shares in respect of Treasury Shares is allowed. A subdivision or consolidation of any Treasury Share into Treasury Shares of a greater or smaller number is also allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before the said subdivision or consolidation (as the case may be).

### Disposal and Cancellation

Where Shares are held as Treasury Shares, the Company may at any time (but subject always to the Take-over Code):

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

In addition, under Rule 704(28) of the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of Treasury Shares held by it, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of Treasury Shares sold, transferred, cancelled and/or used;
- (d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of Treasury Shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

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### 5.5 Source of funds

Any purchase or acquisition of Shares (including any expenses such as brokerage or commission incurred directly in the purchase or acquisition of such Shares) may be made out of the Company's capital or profits so long as the Company is solvent. Under the Companies Act, it is an offence for a Director or chief executive officer of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to the Companies Act, a company is solvent if at the date of the payment the following conditions are satisfied:

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

The Company intends to use internal resources of funds and/or external borrowings to finance the purchase or acquisition of Shares pursuant to the Share Buy-back Mandate. The Board will principally consider the availability of internal resources, and also the availability of external financing. However, in considering the option of external financing, the Board will particularly consider the prevailing gearing level of the Company. The Board will only make purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Company and the prevailing market conditions.

Where the consideration paid by the Company for the Share Buy-backs is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the Share Buy-backs is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

### 5.6 Financial Effects

(a) General

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the total amount of the purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax, clearance fees and other related expenses) (the "**Purchase Price**") paid by the Company for the purchase or acquisition of Shares is made out of profits, such Purchase Price will



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correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the Purchase Price paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the Company chooses not to hold the purchased Shares in treasury, such Shares shall be cancelled. The Company shall: (i) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company; (ii) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or (iii) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company, by the total amount of the Purchase Price paid by the Company for the Shares cancelled. Where the purchased Shares are held in treasury, the total number of issued Shares will remain unchanged.

Shareholders should note that the financial effects illustrated below are for illustration purposes only. In particular, it is important to note that the financial analysis set out below are based on the audited consolidated financial statements for FY2016 and are not necessarily representative of the future financial performance of the Group. Although the proposed Share Buy-Back Mandate would authorise the Company to buy-back up to 10% of the Company's issued Shares, the Company may not necessarily buy back, or be able to buy back, 10% of the issued Shares in full.

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

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions that may be made pursuant to the Share Buy-Back Mandate on the NTA and EPS as the resultant effect would depend on factors such as the aggregate number of Shares purchased or acquired, the purchase prices paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases or acquisitions, whether the purchase or acquisition is made out of profits or capital, and whether the Shares purchased or acquired are held in treasury or cancelled.

The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions.

Purely for illustrative purposes, on the basis of 320,000,000 Shares in issue (no Shares are presently held as Treasury Shares) as at the Latest Practicable Date and assuming no further Shares are issued and no reduction of the share capital of the Company is effected on or prior to the EGM, the purchase by the Company of 10% of its issued Shares will result in the purchase of 32,000,000 Shares.

In the case of a Market Purchase by the Company and assuming that the Company purchases or acquires 32,000,000 Shares at the Maximum Price of S\$0.63 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition is approximately S\$20.3 million.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 32,000,000 Shares at the Maximum Price of S\$0.72 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the

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SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition is approximately S\$23.2 million.

For illustrative purposes only and on the basis of the assumptions set out above as well as the following: (i) the Share Buy-Back Mandate had been effective on 31 March 2016; and (ii) such Share buy-backs are funded solely by internal resources and/or borrowings, the financial effects on the audited consolidated financial results of the Group for FY2016, are set out below:

Group			
As at 31 March 2016	Before Share Buy-back (S\$'000)	After Share Buy-back by way of Market Purchase (S\$'000)	After Share Buy-back by Off-Market Purchase (S\$'000)
Share capital and Reserves	193,966	173,672	170,772
NTA <sup>(1)</sup>	193,966	173,672	170,772
Current assets	214,570	194,276	191,376
Current liabilities	126,884	126,884	126,884
Working capital	87,686	67,392	64,492
Total borrowings <sup>(2)</sup>	93,449	93,449	93,449
Profit attributable to owners of the Company	22,865	22,865	22,865
Number of Shares, excluding treasury shares (in '000)	320,000	288,000	288,000
<b>Financial Ratios</b>			
NTA per Share (cents)	60.6	60.3	59.3
Gearing <sup>(3)</sup> (times)	0.5	0.5	0.5
Current ratio <sup>(4)</sup> (times)	1.7	1.5	1.5
EPS <sup>(5)</sup> (cent)	7.1	7.9	7.9

**Notes:**

- (1) NTA refers to share capital and reserves less intangible assets.
- (2) Total borrowings refer to borrowings from financial institutions.
- (3) Gearing ratio equals total borrowings divided by share capital and reserves.
- (4) Current ratio means current assets divided by current liabilities.
- (5) EPS equals profit attributable to owners of the Company divided by the total number of Shares as at 31 March 2016.

It should also be noted that the purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate would only be made in circumstances where it is considered to be in the best interests of the Company. Although the Share Buy-back Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Directors would emphasise that they do not propose to purchase or acquire Shares pursuant to the Share Buy-back Mandate to such an extent that would, or in circumstances that might, materially and adversely affect the financial condition of the Company, or result in the Company being delisted from the SGX-ST. The Company will take into account both financial and non-financial factors (for example, share market

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## LETTER TO SHAREHOLDERS

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conditions and the performance of the Shares) in assessing the relative impact of a purchase or acquisition of Shares before execution.

### 5.7 Listing rules

Rule 886 of the Listing Manual requires the Company to notify the SGX-ST of all purchases or acquisitions of its Shares as follows:

- (a) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day of the Share Buy-back; and
- (b) in the case of an Off-Market Purchase, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

Such notification (which must be in the form of Appendix 8.3.1 of the Listing Manual) must include the maximum number of shares authorized for purchase, the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as Treasury Shares, the purchase price per Share or the highest and lowest prices paid per Share, as applicable, and the total consideration (including stamp duties, clearing charges, etc.) paid or payable for the Shares, the number of Shares purchased as at the date of notification from the date the Share Buy-back Mandate is obtained (on a cumulative basis), the number of issued Shares excluding Treasury Shares and the number of Treasury Shares held after the Share Buy-back.

The Listing Manual does not expressly prohibit a listed company from purchasing or acquiring its own Shares during any particular time or times. However, as the Company would be regarded as an “insider” in relation to any proposed purchase or acquisition of Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-back Mandate in any of the following circumstances:

- (a) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or decision of the Board until the price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual; and
- (b) during the period commencing two weeks before the announcement of the financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company’s full year financial statements.

The Listing Manual requires a listed company to ensure that at least 10% of any class of its listed securities (excluding Treasury Shares, preference shares and convertible equity securities) must be held by public Shareholders. As at the Latest Practicable Date, approximately 29.27% of the Shares are held by public Shareholders. Assuming that the Company undertakes the Share Buy-back up to the full 10% limit permitted under the Share Buy-back Mandate, approximately 21.41% of the Shares will be held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of Shares through Market Purchases up to the full 10% limit pursuant to the Share Buy-back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

### 5.8 Tax implications

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

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## LETTER TO SHAREHOLDERS

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### 5.9 Take-over implications

Appendix 2 of the Take-over Code contains the Share Buy-back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

#### Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the percentage of voting rights held by a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

#### Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following individuals and companies will be presumed to be acting in concert with each other:

- (a) the following companies: (i) a company; (ii) the parent company of (i); (iii) the subsidiaries of (i); (iv) the fellow subsidiaries of (i); (v) the associated companies of any of (i), (ii), (iii) or (iv); (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, a company is an associated companies of the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and

## LETTER TO SHAREHOLDERS

- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

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

### Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and the persons acting in concert with them would increase to 30% or more, or in the event that such Directors and the persons acting in concert with them hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and the persons acting in concert with them would increase by more than 1% in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholders holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholders would increase by more than 1% in any period of six (6) months. Such a Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-back Mandate.

**The statements in this Circular do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity**

### 5.10 Application of the Take-over Code

The shareholdings of the Directors and Substantial Shareholders as at the Latest Practicable Date and after the purchase by the Company (other than from the Substantial Shareholders) of the maximum of 10% of the issued share capital of the Company pursuant to the Share Buy-back Mandate as the case may be, are as follows:

- (i) Before Share Buy-back

	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total Interest	% <sup>(1)</sup>
<b>Directors</b>						
Mr John Lim Kok Min	169,296	0.05	-	-	169,296	0.05
Mr Wong Yu Wei (Huang Youwei)	481,471	0.15	-	-	481,471	0.15
Mr Chu Kok Hong @ Choo Kok Hong	243,799	0.08	1,578	0.00	245,377	0.08
Dr Tan Khee Giap	-	-	-	-	-	-
Mr James Lim Jit Teng	-	-	1,113,624	0.35	1,113,624	0.35
Mr Chong Lit Cheong	-	-	-	-	-	-
<b>Substantial Shareholders</b>						
Mr Wong Fong Fui <sup>(2)</sup>	-	-	224,242,603	70.08	224,242,603	70.08
Boustead Singapore Limited	163,861,009	51.21	-	-	163,861,009	51.21

## LETTER TO SHAREHOLDERS

**Notes:-**

- (1) Based on 320,000,000 Shares in issue as of the Latest Practicable Date.
- (2) Mr Wong Fong Fui is deemed interested in 52,690,334 shares, representing approximately 16.47% of the total issued share capital of the Company, held through nominees. In addition, Mr Wong, through his interest in not less than 20% of the issued share capital of the following entities, is also deemed interested in:-
- (i) 163,861,009 shares (representing approximately 51.21%) held by Boustead Singapore Limited (“BSL”); and
- (ii) 7,691,260 shares (representing approximately 2.40%) held by Bright Assets Enterprises Limited.

(ii) **After Share Buy-back**

	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total Interest	% <sup>(1)</sup>
<b>Directors</b>						
Mr John Lim Kok Min	169,296	0.06	-	-	169,296	0.06
Mr Wong Yu Wei (Huang Youwei)	481,471	0.17	-	-	481,471	0.17
Mr Chu Kok Hong @ Choo Kok Hong	243,799	0.08	1,578	0.00	245,377	0.08
Dr Tan Khee Giap	-	-	-	-	-	-
Mr James Lim Jit Teng	-	-	1,113,624	0.39	1,113,624	0.39
Mr Chong Lit Cheong	-	-	-	-	-	-
<b>Substantial Shareholders</b>						
Mr Wong Fong Fui <sup>(2)</sup>	-	-	224,242,603	77.86	224,242,603	77.86
Boustead Singapore Limited	163,861,009	56.90	-	-	163,861,009	56.90

**Notes:-**

- (1) Based on 288,000,000 Shares in issue as of the Latest Practicable Date.
- (2) Mr Wong Fong Fui is deemed interested in 52,690,334 shares, representing 16.47% of the total issued share capital of the Company, held through nominees. In addition, Mr Wong, through his interest in not less than 20% of the issued share capital of the following entities, is also deemed interested in:-
- (i) 163,861,009 shares (representing approximately 51.21%) held by Boustead Singapore Limited (“BSL”); and
- (ii) 7,691,260 shares (representing approximately 2.40%) held by Bright Assets Enterprises Limited.

Based on the above interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, none of the Directors or Substantial Shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the Share Buy-backs by the Company of the maximum limit of 10% of the total number of issued Shares as at the Latest Practicable Date.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council and/or the relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share buy-backs or acquisitions by the Company pursuant to the Share Buy-back Mandate.

## LETTER TO SHAREHOLDERS

### 5.11 Reporting Requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve the purchase of Shares by the Company, the Directors shall lodge a copy of such resolution with the Accounting and Corporate Regulatory Authority (the "Registrar").

Within thirty (30) days of a share buy-back by the Company, the Directors shall lodge a notice of share purchase with the Registrar. Such notification shall include the date of the purchases, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Treasury Shares held, the Company's issued share capital before and after the purchases, the amount of consideration paid by the Company for the purchases and such other particulars as may be required in the prescribed form.

Within thirty (30) days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge the notice of cancellation or disposal of Treasury Shares in the prescribed form with the Registrar.

### 6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The shareholdings of the Directors and substantial shareholders as recorded in the Register of Directors' Shareholdings and Register of substantial shareholders (based on notifications received from the respective Directors and substantial shareholders) as at the Latest Practicable Date were as follows:-

	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total Interest	% <sup>(1)</sup>
<b>Directors</b>						
Mr John Lim Kok Min	169,296	0.05	-	-	169,296	0.05
Mr Wong Yu Wei (Huang Youwei)	481,471	0.15	-	-	481,471	0.15
Mr Chu Kok Hong @ Choo Kok Hong	243,799	0.08	1,578	0.00	245,377	0.08
Dr Tan Khee Giap	-	-	-	-	-	-
Mr James Lim Jit Teng	-	-	1,113,624	0.35	1,113,624	0.35
Mr Chong Lit Cheong	-	-	-	-	-	-
<b>Substantial Shareholders</b>						
Mr Wong Fong Fui <sup>(2)</sup>	-	-	224,242,603	70.08	224,242,603	70.08
Boustead Singapore Limited	163,861,009	51.21			163,861,009	51.21

**Notes:-**

- (1) Based on 320,000,000 Shares in issue as of the Latest Practicable Date.
- (2) Mr Wong Fong Fui is deemed interested in 52,690,334 shares, representing 16.47% of the total issued share capital of the Company, held through nominees. In addition, Mr Wong, through his interest in not less than 20% of the issued share capital of the following entities, is also deemed interested in:-
  - (i) 163,861,009 shares (representing approximately 51.21%) held by Boustead Singapore Limited ("BSL"); and
  - (ii) 7,691,260 shares (representing approximately 2.40%) held by Bright Assets Enterprises Limited

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## LETTER TO SHAREHOLDERS

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### 7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, will be held at Room MR331, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593, on Thursday, 28 July 2016 at 10.00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the Resolutions set out in the Notice of EGM on page N-1 of this Circular.

### 8. DIRECTORS' RECOMMENDATION

#### 8.1 Proposed adoption of the Restricted Share Plan

The Directors are of the view that the Restricted Share Plan is in the interests of the Company. However, as all Directors will be eligible to participate in the Restricted Share Plan, they will abstain from making any recommendation to Shareholders in respect of Ordinary Resolution 1 to be proposed at the EGM, being the resolution relating to the proposed adoption of the Restricted Share Plan. Directors who are Shareholders shall also abstain from voting in respect of Ordinary Resolution 1.

Each Director shall also decline to accept appointment as proxies for any Shareholder to vote in respect of each of the said Ordinary Resolution 1 unless the Shareholder concerned shall have given instructions in his proxy form as to the manner in which the votes are to be cast in respect of Ordinary Resolution 1.

#### 8.2 Proposed Participation by a Controlling Shareholder and his Associates in the proposed Restricted Share Plan

The Directors are of the view that the proposed participation in the proposed Restricted Share Plan by Wong Yu Wei, the Associate of the Controlling Shareholder, Mr Wong Fong Fui, is in the interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution 2 to be proposed at the EGM, being the resolutions relating to the proposed participation by Wong Yu Wei, the Associate of the Controlling Shareholder in the proposed Restricted Share Plan.

Mr Wong Fong Fui and his Associate, Wong Yu Wei shall abstain from voting in respect of Ordinary Resolution 2 to be proposed at the EGM. They shall also decline to accept appointment as proxies for any Shareholder to vote in respect of each of the said resolutions unless the Shareholder concerned shall have given instructions in his proxy form as to the manner in which the votes are to be cast in respect of such resolutions

#### 8.3 Proposed Adoption of the Share Buy-back Mandate

The Directors are of the opinion that the Share Buy-back Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Share Buy-back Mandate to be proposed at the EGM as set out in the Notice of EGM on page N-1 of this Circular.



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## LETTER TO SHAREHOLDERS

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### 9. ACTION TO BE TAKEN BY SHAREHOLDERS

#### 9.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

#### 9.2 When Depositor regarded as Shareholder

In view of Section 81SJ(4) of the Securities and Futures Act, a Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register 72 hours before the EGM.

CPFIS investors may wish to check with their CPF Approved Nominees on the procedure and deadline for the submission of their written instructions to their CPF Approved Nominees to vote on their behalf.

#### 9.3 Abstention from Voting

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

Such Shareholders will also not accept appointments as proxies for voting at the EGM in respect of the Ordinary Resolutions relating to the Restricted Share Plan unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast for each of these Ordinary Resolutions.

Controlling Shareholders and their Associates who are entitled to participate in the Restricted Share Plan will abstain from voting at the EGM. Accordingly, the Company shall procure that Mr Wong Fong Fui and his Associate, Wong Yu Wei, abstain from voting in respect of the Ordinary Resolutions relating to the Restricted Share Plan at the EGM.

### 10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed Restricted Share Plan, the proposed Share Buy-back Mandate and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

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## LETTER TO SHAREHOLDERS

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### 11. DOCUMENTS FOR INSPECTION

The following documents may be inspected at the registered office of the Company during normal business hours from the date hereof up to and including the date of the EGM:-

- (a) The Constitution of the Company;
- (b) The Annual Report of the Company for the year ended 31 March 2016; and
- (c) The rules of the proposed Boustead Projects Restricted Share Plan 2016;

Yours faithfully,

**BOUSTEAD PROJECTS LIMITED**

Mr John Lim Kok Min  
Chairman & Independent Non-Executive Director

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**APPENDIX A – RULES OF THE BOUSTEAD PROJECTS RESTRICTED  
SHARE PLAN 2016**

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**1. NAME OF THE RESTRICTED SHARE PLAN**

The Restricted Share Plan shall be called the “Boustead Projects Restricted Share Plan 2016”.

**2. DEFINITIONS**

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

- “%” or “per cent”* : Per centum or percentage.
- “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.
- “Associated Company”* : A company in which at least 20% but not more than 50% of its shares are held by the Company and over which the Company has control.
- “Auditors”* : The auditors of the Company for the time being.
- “Award Date”* : The date on which an Award is granted pursuant to the Restricted Share Plan.
- “Award Letter”* : A letter in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee.
- “Award Shares”* : Shares which are the subject of any Award.
- “Award”* : A contingent award of Shares granted under the Restricted Share Plan.
- “Board”* : The board of Directors of the Company.
- “CDP”* : The Central Depository (Pte) Limited.
- “Committee”* : The Committee comprising Directors who are duly authorised and appointed by the Board to administer the Restricted Share Plan.

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**APPENDIX A – RULES OF THE BOUSTEAD PROJECTS RESTRICTED  
SHARE PLAN 2016**

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<i>“Companies Act”</i>	: The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time.
<i>“Company”</i>	: Boustead Projects Limited.
<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 Interest”</i>	: The interest of the Controlling Shareholder.
<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>“CPF”</i>	: Central Provident Fund.
<i>“Director”</i>	: A person holding office as a director for the time being of the Company.
<i>“Executive Director”</i>	: A Director who is a full-time employee and performs an executive function.
<i>“Executive Employee”</i>	: A confirmed employee of a Group Entity fulfilling at least an executive role (including any Executive Director), selected by the Committee to participate in the Restricted Share Plan, in accordance with the terms and conditions thereof.
<i>“FY”</i>	: Financial year ended, or as the case may be, ending 31 March.
<i>“Group”</i>	: The Company, its subsidiaries, its Associated Companies and any separate legal entity (including but not limited to a limited partnership or limited liability partnership), in which the Company, any of its subsidiaries or Associated Companies is a partner or member.
<i>“Group Entity”</i>	: Any legal entity within the Group.
<i>“Immediate Family”</i>	: 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.
<i>“Listing Manual”</i>	: The Listing Manual of the SGX-ST, as amended or modified from time to time.
<i>“Market Day”</i>	: A day on which the SGX-ST is open for trading in securities.
<i>“Constitution”</i>	: The memorandum and articles of association or other regulations of the Company for the time being in force as originally framed, or as amended from time to time.
<i>“Non-Executive Director”</i>	: A Director for the time being of a Company who is not an Executive Director.
<i>“Participant”</i>	: A person who has been invited by the Company to participate in the Restricted Share Plan.
<i>“Participation Letter”</i>	: The Company’s letter inviting a Participant to participate in the Restricted Share Plan.

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**APPENDIX A – RULES OF THE BOUSTEAD PROJECTS RESTRICTED  
SHARE PLAN 2016**

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- “Performance Conditions”* : In relation to an Award, the performance target and/or service conditions specified by the Committee in the Participation Letter in relation to that Participant.
- “Performance Period”* : A period of at least one (1) year (or such other time period as the Committee may determine in its sole discretion) during which the Performance Conditions are to be satisfied.
- “Record Date”* : The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions.
- “Restricted Share Plan”* : The Boustead Projects Restricted Share Plan 2016, as may be amended or modified from time to time.
- “Retention Period”* : Such retention period as may be determined by the Committee and notified to the Participant at the grant of the relevant Award to that Participant.
- “Rules”* : Rules of the Restricted Share Plan.
- “Securities Account”* : The securities account maintained by a Depositor with CDP.
- “SGX-ST”* : Singapore Exchange Securities Trading Limited.
- “Shareholders”* : Persons who are registered as holders of the Shares, or where CDP is the registered holder, the term *“Shareholders”* shall, in relation to such Shares and where the context admits, mean the Depositors whose securities accounts are credited with the relevant Shares.
- “Shares”* : Ordinary shares in the capital of the Company.
- “Subsidiary”* : A company which is for the time being a subsidiary of the Company as defined by Section 5 of the Companies Act.
- “Treasury Shares”* : Has the meaning ascribed to it in Section 4 of the Companies Act.
- “Vest”* : The absolute entitlement to all or some of the Shares which are the subject of an Award and *“Vested”* and *“Vesting”* shall be construed accordingly.
- “Vesting Date”* : The date(s) immediately falling after the end of the Vesting Period, being the date on which the Shares which are the subject of an Award have vested pursuant to the rules of the Restricted Share Plan.
- “Vesting Period”* : The period of four (4) years (or such other period as the Committee may decide in its sole and absolute discretion) commencing on the Award Date.
- 2.2 The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meaning ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.
- 2.3 The term “Associate” shall have the meaning ascribed to it by the SGX-ST Listing Manual or any other publication prescribing rules or regulations for corporations admitted to the Official List of the SGX-ST (as modified, supplemented or amended from time to time).

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## **APPENDIX A – RULES OF THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016**

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- 2.4 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.
- 2.5 Any reference to a time of a day in the Restricted Share Plan is a reference to Singapore time.
- 2.6 Any reference in the Restricted Share Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Restricted Share Plan shall have the meaning assigned to it under the Companies Act as the case may be.

### **3. OBJECTIVES OF THE RESTRICTED SHARE PLAN**

- 3.1 The main objectives of the Restricted Share Plan are as follows:-
- (a) to align the interests of Executive Employees and Non-Executive Directors with the interests of the Shareholders;
  - (b) to foster an ownership culture within the Company;
  - (c) to instil loyalty to and a stronger identification by Participants with the long-term growth and prosperity of the Company;
  - (d) to motivate Participants to optimize their performance standards and efficiency and maintain a high level of contribution to the Company;
  - (e) to retain key employees whose contributions are essential to the growth and success of the Company; and
  - (f) to attract talented individuals with the relevant skills to join the Company.

### **4. SIZE OF THE RESTRICTED SHARE PLAN**

- 4.1 The aggregate number of Shares over which the Committee may grant Awards on any date, when added to the aggregate number of Shares issued and/or issuable in respect of:-
- (a) all Awards granted under the Restricted Share Plan; and
  - (b) any other share scheme which the Company may implement from time to time,
- shall not exceed 15% of the total issued Shares (excluding treasury shares) of the Company on the date immediately preceding the Award Date.
- 4.2 The aggregate number of Shares over which the Committee may grant Awards to Controlling Shareholders and their Associates under the Restricted Share Plan, shall not exceed 25% of the Shares available under the Restricted Share Plan, Provided Always that the number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Restricted Share Plan.
- 4.3 The number of existing shares purchased from the market or from ordinary Shares held in treasury which may be delivered pursuant to Awards granted under the proposed Restricted Share Plan will be subject to the applicable rules of the Listing Manual and/or the provisions of the Companies Act.

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- 4.4 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 Restricted Share Plan.

**5. DURATION OF THE RESTRICTED SHARE PLAN**

- 5.1 The Restricted Share Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing from its adoption by Shareholders at the EGM, provided always that the Restricted Share Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 5.2 The Restricted Share Plan may be terminated at any time by the Committee and by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Restricted Share Plan is so terminated, no further Awards shall be granted by the Company.
- 5.3 The expiry or termination of the Restricted Share Plan shall not affect such Awards which have been granted and accepted as provided therein, whether such Awards have vested (whether fully or partially) or not.

**6. ELIGIBILITY**

- 6.1 The following persons shall be eligible to participate in the Restricted Share Plan at the absolute discretion of the Committee:-
- (a) Executive Employees and Non-Executive Directors who have attained the age of twenty-one on or before the Award Date and who are not undischarged bankrupts; and
  - (b) the Associates of Controlling Shareholders who qualify under sub-paragraph (a) above.

Any Director who is a member of the Committee shall not be involved in the Committee's deliberations and decision in respect of Awards to be granted to or held by that Director. As a safeguard against abuse, in respect of Awards to be granted to the Associates of Controlling Shareholders and the terms and conditions attached to such Awards, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations. In the event the members of the Board are unable to come to a majority decision in relation to the grant of such an Award to such Associates of a Controlling Shareholder, the chairman of the Board shall have a casting vote.

No Award shall be granted to such Associates of Controlling Shareholders unless his participation in the Restricted Share Plan and the actual number and the terms of the Awards to be granted shall have been approved by the independent Shareholders in separate resolutions for each such person. A circular, letter or notice of participation proposing such a resolution should include clear rationale for the proposed participation by such Associates. Such circular, letter or notice to Shareholders shall also include a clear rationale for the number and terms of the Awards to be granted.

Such Controlling Shareholder and Associate shall abstain from voting on the resolution in relation to his participation in the Restricted Share Plan and the actual number and terms of Awards to be granted.

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An Executive Employee is an employee of a Group Entity fulfilling at least an executive role (including any Executive Director), selected by the Committee to participate in the Restricted Share Plan, in accordance with the terms and conditions thereof.

- 6.2 For the purposes of sub-paragraph 6.1(a) above, the secondment of an employee to another company shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time employee of the Company.
- 6.3 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other Associated Company or otherwise.
- 6.4 Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Restricted Share Plan may be amended from time to time at the absolute discretion of the Committee, which would be exercised judiciously.

### **7. GRANT OF AWARDS**

#### **7.1 Participation Letter**

The Committee shall determine in its sole discretion and set out in the Participation Letter, the following:

- (i) the Performance Period; and
- (ii) the Performance Conditions which shall be set according to the specific roles of each Participant, and which may differ from Participant to Participant.

7.2 A Participant shall accept the terms and conditions of the Participation Letter within thirty (30) days from the date of the Participation Letter. Thereafter, the Participant shall be bound by the Performance Conditions. If the Participation Letter is not accepted by the Participant within thirty (30) days from the date of the Participation Letter, the invitation shall upon the expiry of the thirty (30) day period automatically lapse and be null and void.

7.3 Subject to Rules 4 and 5, the fulfilment of the Performance Condition and the absolute discretion of the Committee, the Committee may grant Award(s) at any time during the period when the Restricted Share Plan is in force, except that no Award shall be granted during the period of one (1) month immediately preceding the date of announcement of the Group's full-year results and two (2) weeks before the announcement of the results of the Group for each of the first, second and third quarters of its FY (as the case may be). In addition, in the event that an announcement of any matter of an exceptional nature involving unpublished price sensitive information is made, the Committee may only grant the Award on or after the second Market Day after such announcement has been released.

7.4 In relation to an Award, the Committee shall decide in its absolute discretion:-

- (a) the Participant;
- (b) the Award Date;
- (c) the number of Shares which are the subject of an Award;
- (d) the Performance Period;



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- (e) the Vesting Period(s) (if any);
- (f) the Retention Period(s) (if any);
- (g) the release schedule (if any) setting out the extent to which Shares, which are the subject of that Award, shall be Vested at the end of each prescribed Vesting Period; and
- (h) any other condition which the Committee may determine in relation to that Award.

7.5 The Awards granted under the Restricted Share Plan are:

- (a) Performance-based Awards

Eligibility for performance-based Awards is limited to Executive Employees who have been approved by the Committee. Such Awards will entitle the Participants to be allotted Shares or receive cash in lieu of such Shares upon satisfactory achievement of pre-determined performance conditions.

- (b) Time-based Awards

Eligibility for time-based Awards is limited to Non-Executive Directors. Such Awards entitle Participants to be allotted Shares after the satisfactory completion of time-based service conditions. Generally, time-based Awards are intended to be used to attract and/or retain new talent.

7.6 The selection of a Participant shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as the title, job performance, seniority, creativity, innovativeness, entrepreneurship, potential for future development, length of service, contribution to the success and development of the Company and if applicable, the extent of effort and resourcefulness required to achieve the Performance Conditions within the Performance Period, subject to such limits as may be prescribed by the SGX-ST.

7.7 The Committee may amend or waive the Performance Period, the Performance Conditions and/or the release schedule in respect of any Participation Letter or Award:-

- (a) subject to Rule 12, in the event of a take-over offer being made for the Shares or if resolved by Shareholders or under the Companies Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
- (b) if any event occurs or circumstances arise which causes the Committee to conclude that:-
  - (i) a changed Performance Condition would be a fairer measure of performance and would be no less difficult to satisfy; or
  - (ii) the Performance Condition should be waived,

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

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- 7.8 The Committee shall issue an Award Letter to the relevant Participant confirming the Award and specifying the following:-
- (a) the date on which the Award is to be granted;
  - (b) the number of Shares which are the subject of the Award;
  - (c) the Vesting Period(s);
  - (d) the extent to which Shares which are the subject of that Award shall be Vested on the Performance Conditions being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;
  - (e) the Retention Period(s);
  - (f) the release schedule; and
  - (g) any other condition which the Committee may determine in relation to that Award,
- to each Participant as soon as is reasonably practicable after the granting of an Award.
- 7.9 Participants are not required to pay for the grant of the Awards.

**8. VESTING OF AWARDS**

- 8.1 Provided that:-
- (a) the prescribed Performance Conditions have been satisfied within the Performance Period;
  - (b) the Participant has continued to be in employment with the Group, as the case may be, from the date of the Award up to the end of the prescribed Vesting Period; and
  - (c) the Award is still subsisting,
- upon the expiry of the prescribed Vesting Period, the Committee will Vest the Award in the Participant, subject to the terms of the Award.
- 8.2 Subject to amendment at the absolute discretion of the Committee, it is intended that the Awards will typically vest in Participants in four tranches over the following Vesting Periods:
- (1) First tranche: Vesting Period of within three (3) months from the end of the relevant financial year in respect of which the Award is granted;
  - (2) Second tranche: Vesting Period of within one (1) month from the end of the next consecutive financial year;
  - (3) Third tranche: Vesting Period of within one (1) month from the end of the second consecutive financial year; and
  - (4) Fourth tranche: Vesting Period of within one (1) month from the end of the third consecutive financial year.

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The Awards will fully vest in Participants on dates beyond the date of satisfaction of Performance Conditions. This is to encourage Participants to continue serving the Company beyond the achievement date of the Performance Conditions.

- 8.3 Subject to any applicable law and the Listing Manual, prior to a Vesting Date, but subsequent to the end of the relevant Performance Period, the Committee (in its sole and absolute discretion) may increase the number of Shares which are the subject of an Award as set out in the relevant Award Letter, taking into account factors such as the financial performance of the Company subsequent to the end of the Performance Period and any further significant contributions by the Participant etc. Where the Committee exercises such discretion to increase the number of Award Shares, the relevant Award to the Participant shall be deemed to comprise of such increased number of Award Shares.
- 8.4 Notwithstanding that a Participant may have satisfied his prescribed Performance Conditions, all Awards (to the extent not yet vested) granted shall immediately lapse and become void and cease to be of any effect without any claim whatsoever against the Company on the occurrence of any of the following events prior to the Vesting Date:-
- (a) misconduct on the part of the Participant as determined by the Committee in its discretion;
  - (b) the Participant, for any reason whatsoever (whether by reason of wrongful dismissal or otherwise) ceases to be employed as an Executive Employee or a Non-Executive Director (as the case may be) (other than as specified in Rule 8.3(d) below);
  - (c) the company or entity by which the Participant is employed ceases to be a Group Entity;
  - (d) the Participant commits a breach of any of the terms of his Award; and/or
  - (e) the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal and beneficial ownership of an Award.

For the purposes of Rule 8.4(b), the Participant shall be deemed to have ceased to be so employed as at the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, no Award shall lapse pursuant to Rule 8.4(b) in the event of a transfer of employment of a Participant between Group Entities.

- 8.5 Notwithstanding that a Participant may have satisfied his prescribed Performance Conditions, if a Participant ceases to be an Executive Employee and a Non-Executive Director (as the case may be), prior to the Vesting Date, by reason of his ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee, redundancy, retirement at or after a legal retirement age or retirement before that age with the consent of the Committee, the Participant dies prior to the Vesting Date, or upon any other event approved by the Committee in writing, then the Committee may, in its absolute discretion, preserve all or any part of an Award and decide as soon as reasonably practicable following such event either to 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 Vesting Period and subject to the Rules of the Restricted Share Plan. In exercising its discretion, the Committee will take into account 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 Conditions, if any, have been satisfied.

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8.6 Notwithstanding that a Participant may have satisfied his prescribed Performance Conditions, in the event of a take-over, winding-up, reconstruction or amalgamation of the Company or an order being made or a resolution passed for the winding-up of the Company, the Committee will consider, whether or not to Vest any Award, and will take into account all circumstances on a case-by-case basis, including but not limited to the proportion of the Performance Period which has elapsed and the extent to which the Performance Conditions have been satisfied and any legal or regulatory requirements, provided that any Awards not Vested prior to commencement of the winding up of the Company (whether voluntary or by order of court) shall, upon commencement of such winding up be null and void. Subject to the foregoing, where Awards are Vested, the Committee will, as soon as practicable after the Awards have been Vested, procure the allotment to each Participant of the number of Shares so determined.

**9. RELEASE OF AWARDS**

9.1 Review of Performance Conditions

- (a) As soon as reasonably practicable after the end of each Performance Period, the Committee shall review the Performance Conditions specified in respect of each Award and determine at its discretion whether they have been satisfied and, if so, the extent to which it has been satisfied, and provided that the relevant Participant has continued to be an Executive Employee of the Group or Non-Executive Director of the Company from the Award Date up to the end of the Vesting Period and subject to Rule 8, shall release to that Participant all or part (as determined by the Committee at its absolute discretion in the case where the Committee has determined that there has been partial satisfaction of the Performance Conditions) 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.
- (b) If the Committee determines in its sole and absolute discretion that the Performance Conditions have not been satisfied or (subject to Rule 8) if the relevant Participant has not continued to be an Executive Employee of the Group or Non-Executive Director of the Company from the Award Date up to the end of the relevant Performance Period, the Letter of Participation or Award shall lapse and be of no value.
- (c) The Committee shall have the discretion to determine whether the Performance Conditions have 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 Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary or exceptional events, and further the right to amend the Performance Conditions if the Committee decides at its absolute discretion that a changed performance target would be a fairer measure of performance.

9.2 Subject to:-

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

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Shares which are the subject of a Vested Award shall be issued and allotted, transferred (as the case may be) to a Participant on the Market Day falling as soon as practicable after the Vesting Date and, the Committee will procure the allotment to each Participant of the number of Shares so determined and within five (5) Market Days from the date of such allotment, dispatch the relevant share certificates to the CDP for the credit of the Securities Account of that Participant, or as the case may be, its CDP Depository Agent, by ordinary post or such other mode of delivery as the Committee may deem fit.

9.3 Where New Shares are allotted upon the Vesting of an Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST or such other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of such Shares.

9.4 Shares which are allotted on the Vesting of an Award to a Participant shall be issued in the name of CDP to the credit of the Securities Account of that Participant maintained with CDP or the Participant's securities sub-account maintained with a CDP Depository Agent, in each case, as designated by that Participant, or if such Securities Account is not available, issued in the Participant's name.

9.5 New Shares allotted and issued, and existing Shares procured by the Company for transfer on the Vesting of an Award, shall:-

- (a) be subject to all the provisions of the Constitution of the Company; and
- (b) rank in full for all entitlements, including dividends, rights, allotments or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

9.6 Shares which are allotted and issued, or transferred (as the case may be) to a Participant pursuant to the Vesting 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.

9.7 Until the issue and allotment or transfer of the Shares to a Participant under an Award has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

### **10. NON-TRANSFERABILITY OF AWARD**

An Award is 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 or encumbered, in whole or in part, except to the extent set out in the Award Letter or 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 such rights under an Award, that Award shall immediately lapse. However (subject to Rule 9.6) the Shares granted to a Participant pursuant to a grant of the Award may be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part.

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**11. ADJUSTMENTS**

11.1 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, reduction, subdivision, consolidation, distribution or otherwise) shall take place:-

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Restricted Share Plan,

shall be adjusted by the Committee to give each Participant the same proportion of the equity capital of the Company as that to which he was previously entitled and, in doing so, the Committee shall determine at its own discretion the manner in which such adjustment shall be made and any adjustment must be confirmed in writing by the auditors of the Company for the time being or an independent public accountant as appointed by the Company (acting as experts and not as arbitrators) to be in their opinion, fair and reasonable. No such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive.

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

- (a) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;
- (b) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to the Vesting of Awards from time to time under the Restricted Share Plan or any other share-based incentive schemes implemented by the Company); or
- (c) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period while a share purchase mandate granted by Shareholders (or any renewal thereof) is in force.

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

**12. TAKE-OVER AND WINDING-UP OF THE COMPANY**

12.1 Notwithstanding Rule 8 but subject to Rule 12.4, in the event of a take-over being made for the Shares, a Participant's rights under the Awards shall not be affected if he has met the Performance Conditions which falls within 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:-

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- (a) the expiry of six (6) months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (in either case, being a date falling not later than the last date on which the Performance Conditions are to be fulfilled); or
- (b) the date of expiry of the Performance Period,

Provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition of the Shares under the provisions of the Companies Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Participant shall be obliged to fulfil such Performance Conditions until the expiry of such specified date or the expiry date of the Performance Period, whichever is earlier, before an Award can be Vested.

12.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a plan for the reconstruction of the Company or its amalgamation with another company or companies, each Participant shall be entitled, notwithstanding Rule 8 but subject to Rule 12.4, to any Awards so determined by the Committee to be Vested in him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.

12.3 In the event notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all Participants (together with a notice of the existence of the provision of this Rule 12.3) and thereupon the Awards shall so Vest in the Participant for so long as, in the absolute determination by the Committee, the Participant has met the Performance Conditions prior to the date that the members' voluntary winding-up shall be deemed to have been commenced or effective in law.

12.4 If in connection with the making of a general offer referred to in Rule 12.1 or the compromise or arrangement referred to in Rule 12.2 or the winding-up referred to in Rule 12.3, arrangements are made (which are confirmed in writing by the auditors of the Company for the time being or an independent public accountant as appointed by the Company, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or the grant of other options or otherwise, no Vesting shall be made in such circumstances.

**13. MODIFICATIONS TO THE RESTRICTED SHARE PLAN**

13.1 The Rules of the Restricted Share Plan may be modified or amended by resolution of the Committee from time to time subject to any necessary approvals of the SGX-ST (and any other stock exchange on which the Shares may be listed or quoted) and such other regulatory authorities as may be necessary except that:-

- (a) any proposed modification or amendment, which would be to the advantage of the Participants under the Restricted Share Plan (as confirmed by the auditors of the Company for the time being or an independent public accountant as appointed by the Company, acting as experts and not as arbitrators) shall be subject to the prior approval of the Company in general meeting;

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- (b) no modification or amendment shall be made which would adversely affect the rights attached to Awards granted prior to such modification or alteration except with the prior consent in writing of such number of Participants under the Restricted Share Plan who, if the Shares comprised in the Awards granted to them Vested, would thereby become entitled to not less than three-quarters in number of all Shares which would be available under the Restricted Share Plan; and
  - (c) no modification or amendment shall be made without due compliance with the Listing Manual and such other regulatory authorities as may be necessary.
- 13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST when necessary) modify or amend the Rules of the Restricted Share Plan in any way to the extent necessary to cause the Restricted Share Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13.3 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.
- 13.4 Written notice of any modifications or amendments made in accordance with this Rule 13 shall be given to all Participants. Modifications or waivers of Performance Conditions are not modifications to the Restricted Share Plan for the purposes of the provisions of this Rule 13.

### **14. ADMINISTRATION OF THE RESTRICTED SHARE PLAN**

- 14.1 The Restricted Share Plan shall be administered by the Committee which will comprise the members of the Remuneration Committee for the time being. The Committee shall administer the Restricted Share Plan in its absolute sole discretion with such powers and duties as are conferred on it by the Board from time to time provided that no member of the Committee shall participate in any deliberation or decision in respect of any Award granted or to be granted to him.
- 14.2 In the event where any of the members of the Committee are to abstain from any deliberation or decision in respect of Awards to be granted to him or held by him and the remaining members of the Committee are unable to come to a majority decision in relation to the grant of such an Award, the chairman of the Board shall have a casting vote.
- 14.3 The Committee shall have the power, from time to time, to make and vary such rules and regulations or impose terms and conditions necessary, desirable or expedient for the implementation and administration of the Restricted Share Plan as it may think fit.
- 14.4 Any decision of the Committee made pursuant to any provision of the Restricted Share Plan (other than a matter to be certified or confirmed by the auditors of the Company for the time being or an independent public accountant as appointed by the Company, acting as experts and not as arbitrators), shall be final and binding (including any decisions pertaining to disputes as to interpretation of the Restricted Share Plan or any regulation, rule or procedure thereunder or as to any rights under the Restricted Share Plan).

### **15. NO COMPENSATION**

The Restricted Share Plan shall not afford to any Participant any additional right to compensation or damages in consequence of his employment or appointment with the Group being terminated for any reason whatsoever.



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**16. TERMS OF EMPLOYMENT UNAFFECTED**

- 16.1 The Restricted Share Plan or any Award shall not form part of any contract of employment between the Company or any of its subsidiaries and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company shall not be affected by his participation in the Restricted Share Plan or any right which he may have to participate in it or any Award which he may hold and the Restricted Share 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.
- 16.2 The Restricted Share Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any of its subsidiaries directly or indirectly or give rise to any cause of action at law or in equity against the Company and/or any of its subsidiaries.

**17. DISCLOSURES IN ANNUAL REPORT**

17.1 The Company shall disclose the following in its annual report to Shareholders in compliance with the Listing Manual for so long as the Restricted Share Plan continue in operation:-

- (a) The names of the members of the Committee administering the Restricted Share Plan;
- (b) The information required in the table below for the following Participants:-
- (i) Participants who are Directors of the Company; and
  - (ii) Participants who are Controlling Shareholders and their Associates; and
  - (iii) Participants, other than those in (i) and (ii) who receive 5% or more of the total number of Shares available under the Restricted Share Plan.

Name of Participant	Number of Shares comprised in Awards granted during FY under review	Aggregate number of Shares comprised in Awards since commencement of the Restricted Share Plan to end of FY under review	Aggregate number of Shares comprised in Awards exercised since commencement of the Restricted Share Plan to end of FY under review	Aggregate number of Shares comprised in Awards outstanding as at end FY under review

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

17.2 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.

**18. NOTICES AND COMMUNICATIONS**

18.1 All notices and communications to be given by a Participant to the Company shall be made or sent to the registered office of the Company or such other address(es) as may be notified by the Company to the Participant in writing.

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**APPENDIX A – RULES OF THE BOUSTEAD PROJECTS RESTRICTED  
SHARE PLAN 2016**

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18.2 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 according to the records of the Company or at the last known address of the Participant.

18.3 Any notice sent by post, whether by airmail or not, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted, and in proving such service by post it shall be sufficient to prove that the letter or wrapper containing the same was properly addressed and put into the post office as a prepaid letter or wrapper.

**19. COSTS AND EXPENSES**

19.1 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 Vesting 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 or CPF investment account with a CPF agent bank.

19.2 Save for the above and the taxes referred to in Rule 20, all other fees, costs and expenses incurred by the Company in relation to the Restricted Share Plan shall be borne by the Company.

**20. TAXES**

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

**21. DISCLAIMER OF LIABILITY**

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

**22. DISPUTES**

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

**23. ISSUE CONTRARY TO LAW**

Every Award shall be subject to the condition that no Shares shall be Vested pursuant to an Award under the Restricted Share Plan if such Vesting would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for

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**APPENDIX A – RULES OF THE BOUSTEAD PROJECTS RESTRICTED  
SHARE PLAN 2016**

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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**

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

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### BOUSTEAD PROJECTS LIMITED

(Incorporated in Singapore)  
(Company Registration Number: 199603900E)  
(the "Company")

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an **EXTRAORDINARY GENERAL MEETING** of the Company will be held at Room MR331, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593, on Thursday, 28 July 2016 at 10.00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without amendment, the ordinary resolutions as set out below.

All capitalised terms used in this notice which are not defined herein shall have the meanings ascribed to them in the circular dated 11 July 2016 to shareholders of the Company.

#### **ORDINARY RESOLUTION 1: THE PROPOSED ADOPTION OF THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016**

That:-

- (a) the share plan to be known as the "Boustead Projects Restricted Share Plan 2016" (the "**Restricted Share Plan**"), the details of which are set out in the Circular, under which awards ("**Awards**") of Shares, will be granted to selected employees of the Group in accordance with the terms of the Restricted Share Plan, be and is hereby approved;
- (b) the Directors of the Company be and are hereby authorised:-
  - (i) to establish and administer the Restricted Share Plan;
  - (ii) to modify and/or amend the Restricted Share Plan from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Restricted Share Plan 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 Restricted Share Plan;
  - (iii) to grant Awards in accordance with the provisions of the Restricted Share Plan and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the grant of Awards under the Restricted Share Plan, provided that the aggregate number of New Shares to be issued pursuant to the Restricted Share Plan shall not exceed 15% of the issued ordinary share capital of the Company from time to time;
  - (iv) subject to the same being allowed by law, to apply any Share purchased under any share purchase mandate and to deliver such existing Shares (including any Shares held in treasury) towards the satisfaction of Awards granted under the Restricted Share Plan; and
  - (v) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this Resolution.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### ORDINARY RESOLUTION 2: PROPOSED PARTICIPATION OF MR WONG YU WEI IN THE RESTRICTED SHARE PLAN

That subject to and contingent upon the passing of Ordinary Resolution 1, approval be and is hereby given for the participation of Mr Wong Yu Wei, an Associate of a Controlling Shareholder of the Company, in the Restricted Share Plan.

### ORDINARY RESOLUTION 3: THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

That:-

(a) for the purposes of the Companies Act (Cap. 50) of Singapore (the “**Act**”), the exercise by the directors of the Company (“**Directors**”) of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) on-market purchases, transacted on the ready market of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), or as the case may be, other stock exchange for the time being on which the Shares may be listed or quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose (the “**On-Market Share Purchase**”); and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Act and the Listing Manual (the “**Off-Market Share Purchase**”).

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

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earlier of:

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held; or
- (ii) the date on which the purchase of Shares by the Company are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked.

(c) In this resolution:

“**Prescribed Limit**” means the number of Shares representing 10% of the total issued ordinary share capital of the Company as at the date of the passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period (as defined hereinafter), in which event the issued ordinary share capital of the Company shall be taken to be the amount of the

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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issued ordinary share capital of the Company as altered (excluding any Treasury Shares that may be held by the Company from time to time);

“**Relevant Period**” means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting; and

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

- (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:

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

- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they/he/she may consider expedient, necessary, desirable, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution

### BY ORDER OF THE BOARD

Tay Chee Wah  
Company Secretary  
11 July 2016

#### Notes:-

1. A member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the Extraordinary General Meeting (“**EGM**”) is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
2. A Relevant Intermediary may appoint more than two proxies, 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).
3. This instrument of proxy must be signed by the appointer or his/her duly authorised attorney or, if the appointer is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
5. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for holding the EGM.
6. Please insert in the space provided the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument of proxy shall be deemed to relate to all the shares held by you.

7. The Company shall be entitled to reject this instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited (“CDP”), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.
8. **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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

\* A Relevant Intermediary is:

- (a) 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; or
- (b) 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
- (c) 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 Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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**Important:**

1. For investors who have used their CPF monies to buy shares in the capital of Boustead Projects Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
2. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 of Singapore, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
3. This Proxy Form is therefore 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.

**PROXY FORM**  
**EXTRAORDINARY GENERAL MEETING**  
(Before completion this form, please see notes overleaf)

I/We \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_

of \_\_\_\_\_

being a member/members of above-named Company, hereby appoint Mr/Mrs/Ms

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

or failing him/her/them\*\*, the Chairman of the Extraordinary General Meeting (the "EGM") of the Company as my/our\*\* proxy/proxies\*\* to attend and to vote for me/us\*\* on my/our\*\* behalf at the EGM of the Company to be held at Room MR331, Level 3, Suntec Singapore Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 28 July 2016 at 10.00 a.m (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place), and at any adjournment thereof.

Ordinary Resolutions	For**	Against**
<b>Resolution 1</b> To approve the proposed Boustead Projects Restricted Share Plan 2016 ("Restricted Share Plan").		
<b>Resolution 2</b> To approve the proposed participation of Mr Wong Yu Wei in the Restricted Share Plan.		
<b>Resolution 3</b> To approve the proposed adoption of the Share Buy-back Mandate.		

\*\* If you wish to use all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

In the absence of specific directions, your proxy/proxies may vote or abstain as he/she thinks fit.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2016

	No. of Shares
CDP Register	
Register of Members	

\_\_\_\_\_  
Signature(s) of Shareholder(s)/Common Seal  
of Corporate Shareholder

**IMPORTANT: PLEASE READ THE NOTES OVERLEAF**



**Notes:-**

1. A member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the Extraordinary General Meeting (“EGM”) is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
2. A Relevant Intermediary may appoint more than two proxies, 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).
3. This instrument of proxy must be signed by the appointer or his/her duly authorised attorney or, if the appointer is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
5. The instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof) must be deposited at registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for holding the EGM.
6. Please insert in the space provided the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument of proxy shall be deemed to relate to all the shares held by you.
7. The Company shall be entitled to reject an instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on the instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited (“CDP”), the Company may reject an instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.
8. Agent Banks acting on the request of CPF Investors who wish to attend the EGM as Observers are required to submit in writing, a list with details of the investor’s name, NRIC/Passport number, addresses and number of shares held. The list, signed by an authorised signatory of the agent bank, should reach the Company Secretary, at the Secretary’s Office at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832, not less than 48 hours before the time fixed for holding the EGM.
9. **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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

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- (a) 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; or
- (b) 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
- (c) 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 Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.



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