

ANNUAL GENERAL MEETING::VOLUNTARY

Issuer & Securities

Issuer/ Manager

HL GLOBAL ENTERPRISES LIMITED

Security

HL GLOBAL ENTERPRISES LIMITED - SG1AI6000003 - AVX

Announcement Details

Announcement Title

Annual General Meeting

Date & Time of Broadcast

11-Apr-2016 17:34:08

Status

New

Announcement Reference

SG160411MEETKJB8

Submitted By (Co./ Ind. Name)

Foo Yang Hym

Designation

Chief Financial Officer

Financial Year End

31/12/2015

Event Narrative

Narrative Type	Narrative Text
Additional Text	Please refer to the attached Notice of Annual General Meeting ("AGM") and Appendix Accompanying the Notice of AGM dated 11 April 2016.

Event Dates

Meeting Date and Time

29/04/2016 10:30:00

Response Deadline Date

27/04/2016 10:30:00

Event Venue(s)

Place

Venue(s)	Venue details
Meeting Venue	Grand Copthorne Waterfront Hotel, Veranda 3, Level 2, 392 Havelock Road, Singapore 169663

Attachments

[HLGE Notice of AGM.pdf](#)

[HLGE_Appendix_Accompanying_the_Notice_of_AGM.PDF](#)

Total size =422K MB

Related Announcements

Related Announcements

[29/04/2016 19:50:00](#)

HL GLOBAL ENTERPRISES LIMITED

Company Registration No. 196100131N
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Third Annual General Meeting (the "Meeting") of HL GLOBAL ENTERPRISES LIMITED (the "Company") will be held at Grand Copthorne Waterfront Hotel, Veranda 3, Level 2, 392 Havelock Road, Singapore 169663, on Friday, 29 April 2016 at 10.30 a.m. for the following purposes:

A. Ordinary Business:

- To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December ("FY") 2015 and the Auditor's Report thereon.
- To approve Directors' Fees (including fees payable to the members of the Audit and Risk Committee, Nominating Committee and Remuneration Committee) of \$255,000 for FY 2015 (FY 2014: \$236,631).
- To re-elect the following Directors retiring in accordance with the Company's Constitution and who, being eligible, offer themselves for re-election:
 - Mr Gan Khai Choon
 - Mr Hoh Weng Ming
- To appoint Mr Michael Yeo Chee Wee who was re-appointed as a Director of the Company at the Company's Fifty-Second Annual General Meeting to hold office until this Meeting pursuant to Section 153(6) of the Companies Act, Chapter 50 of Singapore, which provision has since been repealed.
- To re-appoint Ernst & Young LLP as Auditor of the Company and to authorise the Directors to fix their remuneration.

B. Special Business:

To consider and, if thought fit, to pass, with or without any modifications, the following resolutions as Ordinary Resolutions:

That authority be and is hereby given to the Directors to:

- (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,
- at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit; and
- (b) (notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Ordinary Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument), does not exceed 50% of the total number of issued shares, excluding treasury shares, if any, of the Company (as calculated in accordance with sub-paragraph (2) below);
 - (2) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares, excluding treasury shares, if any, of the Company shall be based on the total number of issued shares, excluding treasury shares, if any, of the Company at the time this Ordinary Resolution is passed, after adjusting for:
 - new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Ordinary Resolution is passed; and
 - any subsequent bonus issue, consolidation or subdivision of shares;
 - (3) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST) and the Constitution for the time being of the Company; and
 - (4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.
- That approval be and is hereby given, pursuant to Rule 16.1 of the rules of the HL Global Enterprises Share Option Scheme 2006 (the "SOS"), for the extension of the duration of the SOS for a further period of 10 years from 29 September 2016 to 28 September 2026.
 - That approval be and is hereby given to the Directors to offer and grant options ("Options") over shares of the Company in accordance with the provisions of the SOS and to allot and issue from time to time such number of shares of the Company as may be required to be issued pursuant to the exercise of the Options granted under the SOS, provided that the aggregate number of new shares to be issued pursuant to the SOS shall not exceed 15% of the total number of issued shares of the Company from time to time, and provided further that the aggregate number of shares to be issued to certain categories of participants of the SOS collectively and individually during the entire operation of the SOS (subject to adjustments, if any, made under the SOS) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the SOS.

C. To Transact Any Other Ordinary Business

BY ORDER OF THE BOARD

Nor Aishah Binte Nasit
Yeo Swee Gim,
Company Secretaries

Singapore
11 April 2016

Explanatory Notes:

- With reference to item 2 of the Ordinary Business above, the structure of fees payable to Directors for FY 2015 can be found on page 18 of the Annual Report.
- Ms Martha Tan Hui Keng, who is retiring at the Meeting pursuant to the Company's Constitution, has notified the Company that she will not be seeking re-election as a Director of the Company at the Meeting. Consequent thereto, Ms Tan will also cease to be the Chairman of the Nominating Committee ("NC") as well as a member of the Audit and Risk Committee ("ARC"), Remuneration Committee ("RC") and SOS Committee ("SOSC").
- With reference to item 3(a) of the Ordinary Business above, Mr Gan Khai Choon will, upon re-election as a Director of the Company, remain as the Chairman of the Board and the Executive Committee. Key information on Mr Gan is found on page 6 of the Annual Report. Mr Gan has no shareholdings in the Company or any of its related corporations. He is a non-executive Director of China Yuchai International Limited ("CYI"), and a Director of Grace Star Services Ltd. ("Grace Star") and Constellation Star Holdings Limited ("Constellation"). Each of CYI, Grace Star and Constellation holds more than 10% direct or deemed interest in the Company. Mr Gan is considered a non-executive non-independent Director.
- Key information on Mr Hoh Weng Ming, who is seeking re-election as a Director of the Company under item 3(b) of the Ordinary Business above, is found on page 7 of the Annual Report. Mr Hoh does not hold any share interest in the Company or any of its related corporations. He is the President and a Director of CYI, a Director of HL Technology Systems Pte Ltd and Hong Leong (China) Limited, each of which holds more than 10% deemed interest in the Company. Mr Hoh is considered a non-executive non-independent Director.
- With reference to item 4 of the Ordinary Business above, Mr Michael Yeo Chee Wee will, upon appointment as a Director of the Company, remain as the Lead Independent Director, Chairman of the ARC, RC and SOSC, and as a member of the NC. Key information on Mr Yeo is found on page 6 of the Annual Report. Mr Yeo has no shareholdings in the Company or any of its related corporations, and has no relationships with the Company, its related corporations, its 10% shareholders or its Directors that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgment with a view to the best interests of the Company.
- The Ordinary Resolution set out in item 6 of the Special Business above, if passed, will empower the Directors of the Company from the date of the Meeting until the next AGM (unless such authority is previously revoked or varied at a general meeting), to issue shares and/or make or grant Instruments that might require new shares to be issued up to a number not exceeding 50% of the Company's total number of issued shares, excluding treasury shares, if any, of which up to 20% may be issued other than on a *pro rata* basis to shareholders. The aggregate number of shares which may be issued under this Ordinary Resolution will be calculated based on the total number of issued shares, excluding treasury shares, if any, of the Company at the time this Ordinary Resolution is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
- The Ordinary Resolution set out in item 7 of the Special Business above, if passed, will extend the duration of the SOS for a further period of 10 years from 29 September 2016 to 28 September 2026. Please refer to the Appendix to the Notice of the AGM dated 11 April 2016. (*see note below on voting restrictions*)
- The Ordinary Resolution set out in item 8 of the Special Business above, if passed, will empower the Directors to offer and grant Options under the SOS and to issue from time to time such number of shares of the Company pursuant to the exercise of such Options under the SOS subject to such limits or sub-limits as prescribed in the SOS. (*see note below on voting restrictions*)
Voting restrictions pursuant to Rules 859 and 860 of the Listing Manual of SGX-ST:
Please note that if a shareholder is eligible to participate in the SOS (including a director and/or employee of the Company and its subsidiaries and its designated parent company, Hong Leong Investment Holdings Pte. Ltd. and its subsidiaries), he should abstain from voting at the Meeting in respect of the Ordinary Resolutions set out in items 7 and 8 in relation to the SOS, and should not accept nominations as proxies or otherwise for voting at the Meeting, in respect of the aforesaid Ordinary Resolutions, unless specific instructions have been given in the proxy form on how the vote is to be cast for the aforesaid resolutions.

Meeting Notes:

- (i) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (ii) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore ("Companies Act").

- A proxy need not be a member of the Company.
- The form of proxy must be deposited at the office of the Company's Registrars, KCK CorpServe Pte. Ltd. at 333 North Bridge Road, #08-00 KH KEA Building, Singapore 188721, not less than 48 hours before the time fixed for holding the AGM.
- Completion and return of the form of proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this form of proxy to the Meeting.
- Pursuant to Rule 730(A)(2) of the Listing Manual of SGX-ST, all resolutions at the Meeting shall be voted on by way of a poll.
- With poll voting, members present in person or represented by proxy at the Meeting will be entitled to vote on a 'one-share, one-vote' basis. The detailed procedures for the poll voting will be explained at the Meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company:

- 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 Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable legislation, the Listing Manual of SGX-ST and/or other regulatory guidelines (collectively, the "Purposes");
- 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) 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
- 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.

Statement Pursuant to Section 64A of the Companies Act

Non-Redeemable Convertible Cumulative Preference Shares ("NCCPS")

Class Meetings: Holders of NCCPS shall be entitled to attend, speak and vote at any class meetings of the holders of the NCCPS. Every holder of a NCCPS who is present in person (or by proxy or attorney or in the case of a corporation, a representative) at such class meetings shall have, on a show of hands, one vote and on a poll, one vote for every NCCPS of which he is the holder.

General Meetings: Holders of NCCPS shall be entitled to attend (in person or by proxy or attorney or in the case of a corporation, a representative) any general meeting of the Company and shall have, on a show of hands, one vote and on a poll, one vote in respect of each NCCPS of which he is the holder if (i) dividends with respect to the NCCPS (or any part thereof) due and payable and accrued is in arrears and has remained unpaid for at least six months; (ii) the resolution in question varies the rights attached to the NCCPS; or (iii) the resolution in question is for the winding up of the Company.

Except as provided above, holders of NCCPS shall not be entitled to attend or vote at general meetings of the Company.

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

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

The Company was placed on the watch-list of the SGX-ST (the “Watch-list”) on 4 June 2014. Should the Company be unable to meet the requirements of Rule 1314 of the Listing Manual (as defined herein) within 24 months from 4 June 2014, the SGX-ST may either remove the Company from its Official List, or suspend trading of the Shares (as defined herein) with a view to removing the Company from its Official List. In the event that the SGX-ST exercises its powers to remove the Company from its Official List at such time, there is no assurance that the Company will be able to offer a reasonable exit alternative.

HL GLOBAL ENTERPRISES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196100131N)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 11 APRIL 2016

IN RELATION TO THE PROPOSED EXTENSION OF THE DURATION OF THE HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

DEFINITIONS

In this Appendix, the following definitions shall apply throughout unless the context otherwise requires:

“AGM”	: Annual General Meeting of the Company
“Appendix”	: This Appendix to the Notice of AGM dated 11 April 2016 convening the 53 rd AGM to be held on 29 April 2016
“associate”	: In relation to a controlling shareholder, his “associates” shall be the persons defined as such under the provisions of the Listing Manual
“Associated Company”	: A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group and over which the Company or the Group has significant influence over its financial and operating policies
“Associated Company Employee”	: An executive director or an employee of an Associated Company
“Associated Company Non-Executive Director”	: A non-executive director of an Associated Company
“Beneficiaries”	: Participants who are Group Employees and who have been granted Options under the Scheme, excluding directors of the Company and directors and employees of the Parent Company and its subsidiaries (other than the Group)
“Board” or “Board of Directors”	: The board of directors of the Company as at the Latest Practicable Date
“Companies Act”	: The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“CDP”	: The Central Depository (Pte) Limited
“Company” or “HLGE”	: HL Global Enterprises Limited, a company incorporated in Singapore
“Directors”	: The directors of the Company as at the Latest Practicable Date
“FRS”	: Singapore Financial Reporting Standards
“Grace Star”	: Grace Star Services Ltd.
“Group”	: The Company and its subsidiaries
“Group Employee”	: A Group Executive Director or an employee of the Group who is selected by the Scheme Committee to participate in the Scheme in accordance with Rules 4.1(a)(i), (iii) and (iv)
“Group Executive Director”	: A director of the Company and/or its subsidiaries who performs an executive function

“Group Non-Executive Director”	: A director of the Company and/or its subsidiaries who is not a Group Executive Director
“HLIH”	: Hong Leong Investment Holdings Pte. Ltd.
“Latest Practicable Date”	: 28 March 2016, being the latest practicable date prior to the printing of this Appendix
“Listing Manual”	: The listing manual of the SGX-ST, as amended or modified from time to time
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“Non-Group Employee”	A Group Non-Executive Director, a Parent Group Non-Executive Director, an Associated Company Employee or an Associated Company Non-Executive Director who is selected by the Scheme Committee to participate in the Scheme in accordance with Rules 4.1 (a)(ii), (b)(ii) and (c)
“Option”	: The right to acquire Shares granted pursuant to the Scheme
“Parent Company”	: A company being a parent company (as defined under the FRS) or a holding company (as defined under the Companies Act, and which includes the ultimate holding company) for the time being of the Company designated by the Scheme Committee for the purposes of the Scheme
“Parent Group Employee”	: A Parent Group Executive Director or an employee of the Parent Company and/or its subsidiaries (other than the Group) who is selected by the Scheme Committee to participate in the Scheme in accordance with Rules 4.1(b) (i), (iii) and (iv)
“Parent Group Executive Director”	: A director of the Parent Company and/or its subsidiaries (other than the Group) who performs an executive function
“Parent Group Non-Executive Director”	: A director of the Parent Company and/or its subsidiaries (other than the Group) who is not a Parent Group Executive Director
“Participant”	: The holder of an Option
“Rules”	: The rules of the Scheme, as the same may be amended from time to time
“Scheme”	: The existing HL Global Enterprises Share Option Scheme 2006, which was adopted at the extraordinary general meeting of the Company held on 29 September 2006, as amended or modified from time to time
“Scheme Committee”	: A committee duly appointed and authorised by the Board for the time being pursuant to Rule 12.1 to administer the Scheme, which shall consist of Directors and may also include one person nominated by the Parent Company

“Securities Account”	: A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“SFA”	: The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Persons who are registered as holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with Shares
“Shares”	: Ordinary shares in the capital of the Company
“subsidiary”	: A subsidiary company as defined under the FRS or a subsidiary as defined under the Companies Act
“treasury shares”	: This term shall have the meaning ascribed to it under the Companies Act
“Trust”	: A trust known as the HL Global Enterprises Share Option Scheme 2006 Trust which was established by the Company with Amicorp Trustees (Singapore) Limited as the trustee of the Trust pursuant to a trust deed dated 13 January 2012 entered into between the Company and the Trustee
“Trust Deed”	: Trust deed dated 13 January 2012 entered into between the Company and the Trustee
“Trust Shares”	: Existing Shares to be acquired and held by the Trustee for the benefit of the Beneficiaries
“Trustee”	: Amicorp Trustees (Singapore) Limited
“\$”	: Singapore dollars
“%” or “per cent.”	: Percentage or per centum

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

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

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

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

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

HL GLOBAL ENTERPRISES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196100131N)

Board of Directors:

Mr Gan Khai Choon (Non-Executive Chairman)
Mr Philip Ting Sii Tien (Non-Executive Director)
Mr Hoh Weng Ming (Non-Executive Director)
Mr Michael Yeo Chee Wee (Lead Independent Director)
Ms Martha Tan Hui Keng (Independent Director)
Ms Florence Tay Eng Neo (Independent Director)
Ms Loo Hwee Fang (Independent Director)
Mr Andrew Goh Kia Teck (Independent Director)

Registered Office:

156 Cecil Street, #09-01
Far Eastern Bank Building
Singapore 069544

11 April 2016

To: The Shareholders of HL Global Enterprises Limited

Dear Sir/Madam

PROPOSED EXTENSION OF THE DURATION OF THE HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

1. INTRODUCTION

We refer to the Notice dated 11 April 2016 convening the Fifty-Third Annual General Meeting (“**53rd AGM**”) of the Company to be held on 29 April 2016.

The Directors propose to seek the approval of the Shareholders for the proposed extension of the duration of the Scheme (the “**Proposed Extension**”).

The ordinary resolution for the Proposed Extension is set out in Resolution 7 of the Notice of the 53rd AGM.

The purpose of this Appendix is to provide Shareholders with information relating to the Proposed Extension.

This Appendix has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

2. THE PROPOSED EXTENSION OF THE DURATION OF THE SCHEME

2.1 Background

The Scheme was approved by Shareholders at an extraordinary general meeting of the Company on 29 September 2006.

The Scheme was adopted for an initial duration of up to a maximum period of ten years, provided that it may be continued beyond that period with the approval of Shareholders by ordinary resolution in a general meeting of the Company and the approval of any relevant authorities which may then be required.

As at the Latest Practicable Date, no Option has been granted by the Company since the commencement of the Scheme.

As the Scheme will expire on 28 September 2016, the Directors propose that the duration of the Scheme be extended for a further period of 10 years from 29 September 2016 to 28 September 2026.

The current Rules were set out in Appendix B of the circular to Shareholders dated 6 September 2006 (as amended to reflect the change in the Company's name pursuant to the circular to Shareholders dated 31 March 2008), and are set out in the Annexure to this Appendix.

2.2 Trust and Trust Shares

Under the Rules, the Company has the flexibility to deliver issued Shares to the Participants upon exercise of their Options by way of an allotment of new Shares and/or the transfer of existing Shares. The Trust was established by the Company with the Trustee pursuant to the Trust Deed.

Pursuant to the terms of the Trust Deed, the Trustee will, *inter alia*, acquire and hold Trust Shares for the benefit of the Beneficiaries and transfer such Trust Shares to the Beneficiaries upon the exercise of their Options under the Scheme.

The Trustee has the power to vote or abstain from voting at any general meeting of the Company in its absolute discretion in respect of the Trust Shares. As at the Latest Practicable Date, the Trustee holds 2,418,917 Shares as Trust Shares.

The Trust will terminate upon the full satisfaction of the outstanding Options granted (if any) under the Scheme following the expiry or termination of the Scheme or if there are no Beneficiaries, upon the Company issuing a notice to the Trustee to terminate the Trust. Upon termination of the Trust, the Trustee will sell all the remaining Trust Shares then held by the Trustee (unless the Trustee is requested by the Company to transfer the remaining Trust Shares to a trustee for the purposes of the Company's future or other employee share option schemes), and deal with all funds and investments then held by the Trustee, in accordance with the instructions of the Company.

2.3 Rationale for Extension of the Duration of the Scheme

The Scheme aims to provide Participants with an opportunity to share in the success and achievements of the Group as well as the performance of the Company through participation in the equity of the Company. Participation in the Scheme is extended to Group Employees, Group Non-Executive Directors, Parent Group Employees, Parent Group Non-Executive Directors, Associated Company Employees and Associated Company Non-Executive Directors. Persons who are controlling shareholders or their associates shall not participate in the Scheme.

It is hoped that by doing so, the Company will also strengthen its working relationships with the Participants by inculcating in them a stronger and more lasting sense of identification with the Group.

The extension of the duration of the Scheme is thus being proposed with the following objectives:

- (a) the giving of recognition to achievements and contributions of Participants through ownership in the equity of the Company to enable them to share in the success of the Group, leading to the development of a participatory style of management which instils loyalty and a stronger sense of identification with the long term goals of the Group;
- (b) the promotion of staff morale leading to the retention of employees of the Group whose contributions are important to the long term growth and prosperity of the Group;
- (c) the motivation of Participants to optimise standards and efficiency and to maintain a high level of contribution and the encouragement of participants towards higher standards of performance and commitment by linking their rewards to the Group's performance;
- (d) the attainment of harmonious employer/staff relations, as well as the strengthening of working relationships with the Group's close business associates;
- (e) the making of total compensation more attractive and competitive in order for the Group to attract, retain and motivate talented employees; and

(f) the enhancement of the value of the Company in the long term.

The Scheme operates to align the interests of Participants with those of Shareholders and will contribute towards enhancement of the value of the Company in the long term.

The existing limit on the total number of Shares over which the Options may be granted under the Scheme is not increased as a result of the Proposed Extension.

As mentioned in Paragraph 2.1, as at the Latest Practicable Date, no Option has been granted by the Company since the commencement of the Scheme.

The Company was placed on the Watch-list on 4 June 2014 due to it having recorded pre-tax losses for the three most recently completed consecutive financial years then (based on the latest announced full year consolidated accounts, excluding exceptional or non-recurrent income and extraordinary items) and its average market daily capitalisation over the last 120 market days on which trading was not suspended or halted being less than \$40 million. In view of the financial position of the Company for the past years, the Scheme Committee has not granted any Options under the Scheme. Nonetheless, the Company's Remuneration Committee and the Scheme Committee are still of the view that the Scheme remains a key component of the Group's compensation arrangements which the Company can utilise to attract and retain quality employees and motivate them to contribute to the long-term growth and profitability of the Company.

As recommended by the Company's Remuneration Committee and the Scheme Committee, the Board proposes that the duration of the Scheme be extended for a further period of ten years from 29 September 2016 up to 28 September 2026.

Other than the Proposed Extension, there is no proposal to change any other Rules.

2.4 Approvals

In-principle approval has been received from SGX-ST for the listing of, and quotation for, the new Shares to be issued pursuant to the extended and amended Scheme subject to the following:

- (a) compliance with the SGX-ST's listing requirements and guidelines; and
- (b) Shareholders' approval being obtained for the Proposed Extension.

The in-principle approval of the SGX-ST shall not be taken as an indication of the merits of the Proposed Extension, the new Shares, the Company and/or its subsidiaries.

3. DIRECTORS' RECOMMENDATION

In view that the Directors are potential participants of the Scheme and are therefore interested in the Scheme, they have accordingly abstained from making any recommendation on the Proposed Extension. They will also abstain from voting on Resolution 7 in respect of any Shares held by them. Additionally, all employees of the Group and other persons who will benefit or are likely to benefit from the implementation of the Scheme and persons who are eligible to participate in the Scheme will abstain from voting at the 53rd AGM on Resolution 7 in respect of Shares respectively held by them. HLIH and its subsidiaries (including Grace Star), as well as their respective directors and employees, will abstain from voting at the 53rd AGM on Resolution 7 in respect of Shares respectively held by them.

The Company will also procure that the Directors and other persons who are potential participants of the Scheme, and who are to abstain personally from voting any Shares held by them at the 53rd AGM on Resolution 7 relating to the Proposed Extension, will decline to accept appointment as proxies for any Shareholder to vote on the Resolution unless (i) the Shareholder concerned does not have any personal interest in relation to the Resolution in question and (ii) such Shareholder shall have given instructions in his proxy form as to the manner in which his votes are to be cast in respect of the Resolution.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 Interests of Directors in Issued Shares

As at the Latest Practicable Date, the interests of the Directors in issued Shares, based on the Company's Register of Directors' Shareholdings, are as follows:

Name of Director	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Florence Tay Eng Neo	1,490,792	1.55	1,129,981 ⁽²⁾	1.17	2,620,773	2.72

Notes:

(1) Based on 96,318,419 issued Shares as at the Latest Practicable Date.

(2) Ms Florence Tay Eng Neo is deemed to have an interest in the 1,129,981 Shares held by her spouse.

4.2 Interests of Substantial Shareholders in Issued Shares

The interests of the substantial shareholders of the Company in issued Shares, based on information as recorded in the Register of Substantial Shareholders of the Company maintained by the Company pursuant to Section 88 of the Companies Act, as at the Latest Practicable Date, are as follows:

Name of Substantial Shareholder	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Grace Star	47,107,707	48.91	–	–	47,107,707	48.91
Constellation Star Holdings Limited ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
China Yuchai International Limited ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
HL Technology Systems Pte Ltd ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
Hong Leong (China) Limited ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
Hong Leong Asia Ltd. ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
Hong Leong Corporation Holdings Pte Ltd ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
Hong Leong Enterprises Pte. Ltd. ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
HLIH ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
Davos Investment Holdings Private Limited ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
Kwek Holdings Pte Ltd ⁽²⁾	–	–	47,107,707	48.91	47,107,707	48.91
DBS Bank	11,545,425	11.99	–	–	11,545,425	11.99
DBS Group Holdings Ltd ⁽³⁾	–	–	11,545,425	11.99	11,545,425	11.99
Temasek Holdings (Private) Limited ⁽⁴⁾	–	–	11,545,425	11.99	11,545,425	11.99

Notes:

(1) Based on 96,318,419 issued Shares as at the Latest Practicable Date.

(2) Each of these companies is deemed under Section 4 of the SFA to have an interest in the 47,107,707 Shares held directly by Grace Star, by reason of each of these companies being entitled, directly or indirectly, to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in Grace Star.

(3) DBS Group Holdings Ltd is deemed under Section 4 of the SFA to have an interest in the 11,545,425 Shares held directly by DBS Bank Ltd.

(4) Temasek Holdings (Private) Limited is deemed under Section 4 of the SFA to have an interest in the 11,545,425 Shares in which DBS Group Holdings Ltd has a deemed interest.

5. DIRECTORS' RESPONSIBILITY STATEMENT

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

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 156 Cecil Street, #09-01 Far Eastern Bank Building, Singapore 069544 during normal business hours from the date of this Appendix up to and including the date of the 53rd AGM:

- (a) the Constitution (previously known as the Memorandum and Articles of Association) of the Company;
- (b) the Rules of the Scheme; and
- (c) the annual report of the Company for the financial year ended 31 December 2015.

Yours faithfully

For and on behalf of the Board of Directors of
HL GLOBAL ENTERPRISES LIMITED

Gan Khai Choon
Chairman

ANNEXURE

RULES OF THE HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

1. NAME OF THE SCHEME

The Scheme shall be called the “HL Global Enterprises Share Option Scheme 2006”.

2. DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Acquisition Price”	The price at which (subject to any adjustment pursuant to Rule 11) a Participant shall acquire each Share upon the exercise of an Option as determined in accordance with Rule 7.1 in relation to a Market Price Option, Rule 7.2 in relation to a Discount Price Option, and Rule 7.3 in relation to an Incentive Price Option
“Act”	The Companies Act, Chapter 50 of Singapore as amended or modified from time to time
“Adoption Date”	The date on which the Scheme is adopted by the Company in a general meeting
“Aggregate Acquisition Cost”	The total amount payable for the Shares to be acquired on the exercise of an Option
“Associated Company”	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group and over which the Company or the Group has significant influence over its financial and operating policies
“Associated Company Employee”	An executive director or an employee of an Associated Company
“Associated Company Non-Executive Director”	A non-executive director of an Associated Company
“Auditors”	The auditors of the Company for the time being
“Board” or “Board of Directors”	The board of directors of the Company for the time being
“CDP”	The Central Depository (Pte) Limited
“Company”	HL Global Enterprises Limited, a company incorporated in Singapore

“controlling shareholder”	A person who: <ul style="list-style-type: none"> (a) holds, directly or indirectly, 15% or more of the total number of issued Shares in the Company (unless the SGX-ST determines such a person is not a controlling shareholder); or (b) in fact exercises control over the Company
“CPF”	Central Provident Fund
“Depository Agent”	An entity registered as a depository agent with CDP for the purpose of maintaining securities sub-accounts for its own account and for the account of others
“Director”	A director of the Company for the time being
“Discount Price Option”	The right to acquire Shares granted pursuant to the Scheme and for the time being subsisting, and in respect of which the Acquisition Price is determined in accordance with Rule 7.2
“FRS”	Singapore Financial Reporting Standards
“Grantee”	A person to whom an offer of an Option is made
“Group”	The Company and its subsidiaries
“Group Employee”	A Group Executive Director or an employee of the Group who is selected by the Scheme Committee to participate in the Scheme in accordance with Rules 4.1(a) (i), (iii) and (iv)
“Group Executive Director”	A director of the Company and/or its subsidiaries who performs an executive function
“Group Non-Executive Director”	A director of the Company and/or its subsidiaries who is not a Group Executive Director
“Incentive Period”	In relation to an Incentive Price Option, the period commencing on the Offering Date and terminating on a day preceding the second anniversary of such Offering Date or such other day as may be determined by the Scheme Committee
“Incentive Price Option”	The right to acquire Shares granted pursuant to the Scheme and for the time being subsisting, and in respect of which the Acquisition Price is determined in accordance with Rule 7.3
“Listing Manual”	The listing manual of the SGX-ST, as amended or modified from time to time
“market day”	A day on which the SGX-ST is open for trading in securities
“Market Price”	In relation to a Share, shall mean the price as determined in accordance with Rule 7.1

“Market Price Option”	The right to acquire Shares granted pursuant to the Scheme and for the time being subsisting, and in respect of which the Acquisition Price is determined in accordance with Rule 7.1
“Non-Group Employee”	A Group Non-Executive Director, a Parent Group Non-Executive Director, an Associated Company Employee or an Associated Company Non-Executive Director who is selected by the Scheme Committee to participate in the Scheme in accordance with Rules 4.1 (a)(ii), (b)(ii) and (c)
“Offering Date”	The date on which the offer of the grant of an Option is made pursuant to Rule 6.1
“Option”	A Market Price Option, a Discount Price Option or an Incentive Price Option, as the case may be
“Option Period”	<p>The period for the exercise of an Option, being:</p> <ul style="list-style-type: none"> (a) in the case of a Market Price Option granted to a Group Employee or a Parent Group Employee, a period commencing on the first anniversary of the Offering Date and expiring on the day preceding the tenth anniversary of such Offering Date, subject as provided in Rules 8 and 9; (b) in the case of a Market Price Option granted to a Non-Group Employee, a period commencing on the first anniversary of the Offering Date and expiring on the day preceding the fifth anniversary of such Offering Date, subject as provided in Rules 8 and 9; (c) in the case of a Discount Price Option or an Incentive Price Option granted to a Group Employee or a Parent Group Employee, a period commencing on the second anniversary of the Offering Date and expiring on the day preceding the tenth anniversary of such Offering Date, subject (in each case) as provided in Rules 8 and 9; and (d) in the case of a Discount Price Option or an Incentive Price Option granted to a Non-Group Employee, a period commencing on the second anniversary of the Offering Date and expiring on the day preceding the fifth anniversary of such Offering Date, subject (in each case) as provided in Rules 8 and 9
“Parent Company”	A company being a parent company (as defined under the FRS) or a holding company (as defined under the Act, and which includes the ultimate holding company) for the time being of the Company designated by the Scheme Committee for the purposes of the Scheme
“Parent Group”	The Parent Company and its subsidiaries (other than the Group)

“Parent Group Employee”	A Parent Group Executive Director or an employee of the Parent Company and/or its subsidiaries (other than the Group) who is selected by the Scheme Committee to participate in the Scheme in accordance with Rules 4.1(b) (i), (iii) and (iv)
“Parent Group Executive Director”	A director of the Parent Company and/or its subsidiaries (other than the Group) who performs an executive function
“Parent Group Non-Executive Director”	A director of the Parent Company and/or its subsidiaries (other than the Group) who is not a Parent Group Executive Director
“Participant”	The holder of an Option
“Rules”	The rules of the Scheme, as the same may be amended from time to time
“Scheme”	The HL Global Enterprises Share Option Scheme 2006, as may be modified or altered from time to time
“Scheme Committee”	A committee duly appointed and authorised by the Board pursuant to Rule 12.1 to administer the Scheme, which shall consist of Directors and may also include one person nominated by the Parent Company
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shares”	Ordinary shares in the capital of the Company
“subsidiary”	A subsidiary as defined under the FRS or the Act
“trading day”	A day on which there is a transaction in the Shares on the SGX-ST
“treasury shares”	This term shall have the meaning ascribed to it under the Act
“Vesting Schedule”	A schedule of dates falling within the Option Period at which Shares which are the subject of the Option shall, in whole or in part, vest in the Participant
“\$”	Singapore dollars
“%” or “percent”	Percentage or per centum

2.2 For the purposes of the Scheme:

- (a) in relation to a company, “control” means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of that company; and
- (b) in relation to a controlling shareholder, his “associates” shall be the persons defined as such under the provisions of the Listing Manual.

- 2.3 Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act and used in these Rules shall have the meaning assigned to it under the Act.
- 2.4 Words importing the singular number shall include the plural number where the context admits and vice versa. Words importing the masculine gender shall include the feminine gender where the context admits.
- 2.5 Any reference to a time of day shall be a reference to Singapore time.

3. OBJECTIVES

The Scheme is a share incentive scheme. The purpose of the Scheme is to provide an opportunity for Group Employees to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to Non-Group Employees and Parent Group Employees who have contributed to the success and development of the Company and/or the Group. The Scheme is proposed on the basis that it is important to acknowledge the contribution, which is essential to the well-being and prosperity of the Group, made by these categories of persons. The Company, by adopting the Scheme, will give these categories of persons a real and meaningful stake in the Company and will help to achieve the following objectives:

- (a) the giving of recognition to achievements and contributions of Participants through ownership in the equity of the Company to enable them to share in the success of the Group, leading to the development of a participatory style of management which instills loyalty and a stronger sense of identification with the long term goals of the Group;
- (b) the promotion of staff morale leading to the retention of employees of the Group whose contributions are important to the long term growth and prosperity of the Group;
- (c) the motivation of Participants to optimise standards and efficiency and to maintain a high level of contribution and the encouragement of Participants towards higher standards of performance and commitment by linking their rewards to the Group's performance;
- (d) the attainment of harmonious employer/staff relations, as well as the strengthening of working relationships with the Group's close business associates;
- (e) the making of total compensation more attractive and competitive in order for the Group to attract, retain and motivate talented employees; and
- (f) the enhancement of the value of the Company in the long term.

4. ELIGIBILITY

- 4.1 The following persons, subject to any provisions as may be determined by SGX-ST, shall be eligible to participate in the Scheme at the absolute discretion of the Scheme Committee:
- (a) Group Employees and Group Non-Executive Directors
 - (i) directors of the Company and/or its subsidiaries who perform an executive function;
 - (ii) non-executive directors of the Company and/or its subsidiaries;
 - (iii) confirmed employees of the Company and/or its subsidiaries who have attained the age of 21 years; and
 - (iv) employees who qualify under sub-paragraph (iii) above and are seconded to an Associated Company, a company in the Parent Group or any other company outside the Group.

(b) Parent Group Employees and Parent Group Non-Executive Directors

- (i) directors of the Parent Company and/or its subsidiaries (other than the Group) who perform an executive function and who, in the opinion of the Scheme Committee, have contributed or will contribute to the success and development of the Group;
- (ii) non-executive directors of the Parent Company and/or its subsidiaries (other than the Group) and who, in the opinion of the Scheme Committee, have contributed or will contribute to the success and development of the Group;
- (iii) confirmed employees of the Parent Company and/or its subsidiaries (other than the Group) who have attained the age of 21 years and who, in the opinion of the Scheme Committee, have contributed or will contribute to the success and development of the Group; and
- (iv) employees who qualify under sub-paragraph (iii) above and are seconded to an Associated Company, or any other company outside the Parent Group.

(c) Associated Company Employees and Associated Company Non-Executive Directors

- (i) directors of an Associated Company who perform an executive function;
- (ii) non-executive directors of an Associated Company; and
- (iii) confirmed employees of an Associated Company who have attained the age of 21 years.

4.2 Persons who are controlling shareholders or their associates shall (notwithstanding that they may meet the eligibility criteria in Rule 4.1) not participate in the Scheme.

4.3 Group Employees who are eligible to participate in the Scheme may also be eligible to participate in any other share option or incentive scheme implemented by the Company for their benefit. There is no restriction on the participation by persons selected to participate in the Scheme also participating in any other share option or incentive scheme implemented by any other company, whether within or outside the Group.

4.4 All participation is subject to the Rules herein and shall be at the absolute discretion of the Scheme Committee. In determining the Participants, the Scheme Committee will take into account, *inter alia*, the objectives of the Scheme detailed in Rule 3 above.

5. LIMITATIONS UNDER THE SCHEME

5.1 The aggregate number of new Shares over which the Scheme Committee may grant Options on any date, when added to the number of new Shares issued and issuable in respect of all Options granted under the Scheme, shall not exceed 15% of the total number of issued Shares of the Company on the day preceding that date.

5.2 The Company shall have the flexibility to deliver existing Shares to Participants upon the exercise of their Options as provided in Rule 10.2. Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares which may be delivered in settlement of the exercise of Options will not be subject to any limit, in particular, the limit of 15% of the total number of issued Shares referred to in Rule 5.1, as such method of settlement does not involve the issuance of any new Shares.

5.3 The number of Shares comprised in (as the case may be) Market Price Options, Discount Price Options or Incentive Price Options to be offered to any Group Employee, Non-Group Employee or Parent Group Employee in accordance with the Scheme shall be determined at the absolute discretion of the Scheme Committee, who shall take into account, in respect of a Group Employee, criteria such as the rank, the past performance, the years of service and the potential for future development of that employee and, in respect of a Non-Group Employee or Parent Group Employee, his contribution to the success and development of the Group, provided that in relation to Parent Group Employees and Parent Group Non-Executive Directors:

- (a) the aggregate number of Shares which may be offered by way of grant of Options to Parent Group Employees and Parent Group Non-Executive Directors collectively under the Scheme shall not exceed 20% of the total number of Shares available under the Scheme, and such aggregate number of Shares which may be offered to Parent Group Employees and Parent Group Non-Executive Directors collectively under the Scheme has been approved by independent shareholders of the Company in a separate resolution; and
- (b) any Options to be granted to any Parent Group Employee or Parent Group Non-Executive Director which, together with Options already granted to that Parent Group Employee or Parent Group Non-Executive Director under the Scheme, represents 5% or more of the aggregate number of Shares available to Parent Group Employees and Parent Group Non-Executive Directors collectively, shall be approved by independent shareholders of the Company in a separate resolution for each such Parent Group Employee or (as the case may be) Parent Group Non-Executive Director.

For the purposes of obtaining the approval of the independent shareholders of the Company mentioned above, the Scheme Committee shall procure that the circular, letter or notice to the shareholders in connection therewith shall set out:

- (i) clear justifications for the participations of such Parent Group Employees and/or, as the case may be, Parent Group Non-Executive Directors;
- (ii) clear rationale for the number and terms (including the Acquisition Price) of the Options to be granted to such Parent Group Employees and/or, as the case may be, Parent Group Non-Executive Directors; and
- (iii) any discount applicable to the Acquisition Price of such Options.

6. GRANT AND ACCEPTANCE OF OPTIONS

- 6.1 The Scheme Committee may, subject as provided in Rule 5, grant Options at any time and from time to time, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Options may only be granted on or after the second market day from the date on which the aforesaid announcement is released.
- 6.2 The Letter of Offer to grant the Option shall be in, or substantially in, the form set out in Schedule A-1 in relation to a Market Price Option or a Discount Price Option, and in, or substantially in, the form set out in Schedule A-2 in relation to an Incentive Price Option, subject in each case to such modification as the Scheme Committee may from time to time determine.
- 6.3 An Option shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior approval of the Scheme Committee.
- 6.4 The grant of an Option under this Rule 6 shall be accepted within thirty (30) days from the Offering Date of that Option and, in any event, not later than 5.00 p.m. on the thirtieth (30th) day from such Offering Date by completing, signing and returning the Acceptance Form in, or substantially in, the form set out in Schedule B-1 in relation to a Market Price Option or a Discount Price Option, and in the form set out in Schedule B-2 in relation to an Incentive Price Option, subject in each case to such modification as the Scheme Committee may from time to time determine, accompanied by payment of \$1.00 as consideration. The Grantee may accept or refuse the offer.
- 6.5 If a grant of an Option is not accepted in the manner as provided in Rule 6.4, such offer shall, upon the expiry of the thirty (30)-day period, automatically lapse and become null, void and of no effect.

7. ACQUISITION PRICE

- 7.1 The Acquisition Price for each Share in respect of which a Market Price Option is exercisable shall be fixed by the Scheme Committee at a price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list made available by the SGX-ST, for the 3 consecutive trading days immediately preceding the Offering Date of that Option, rounded up to the nearest whole cent.
- 7.2 The Acquisition Price for each Share in respect of which a Discount Price Option is exercisable shall be determined by the Scheme Committee at its absolute discretion, and fixed by the Scheme Committee at a price, rounded up to the nearest whole cent, which is set at a discount to the Market Price (as determined in accordance with Rule 7.1), provided that the maximum discount shall not exceed 20% of the Market Price.
- 7.3 The Acquisition Price for each Share in respect of which an Incentive Price Option is exercisable shall be the Market Price (as determined in accordance with Rule 7.1), subject to adjustment as hereafter provided in this Rule 7.3.

The Acquisition Price for each Share in respect of which an Incentive Price Option is exercisable shall be subject to such discount, if any, as may be determined by the Scheme Committee in its absolute discretion, provided that:

- (a) the maximum discount which may be given in respect of that Option shall not exceed 20% of the initial Acquisition Price in respect of that Option; and
- (b) the Scheme Committee shall, not later than the last day of the Incentive Period relating to that Option, determine whether or not a discount should be given in respect of that Option and, if so, the quantum of such discount.

For the purposes of sub-paragraph (b) of this Rule 7.3, in determining whether to grant any discount and the quantum of such discount, if any, the Scheme Committee shall take into consideration such criteria as the Scheme Committee may, in its absolute discretion, deem appropriate including but not limited to:

- (i) the performance of the Company and the Group over the Incentive Period, taking into account financial parameters such as return on equity, and/or earnings growth, and the performance targets set by the Scheme Committee for the Company and the Group;
- (ii) the individual performance of the Participant over the Incentive Period; and
- (iii) the contribution of the Participant over the Incentive Period to the success and development of the Company and/or the Group.

The Scheme Committee may also determine that the Incentive Price Option shall be cancelled, in which case, it shall immediately lapse without any claims against the Company and the Participant shall have no further rights in respect thereof.

Not later than the last day of the Incentive Period, the Scheme Committee shall inform the Participant as to whether the Option has been cancelled or whether it has granted a discount and, if so, the quantum of the discount on the initial Acquisition Price, and, if relevant, the adjusted Acquisition Price, for that Option.

- 7.4 The Acquisition Price shall be subject to adjustment pursuant to Rule 11.
- 7.5 Subject as otherwise expressly provided in these Rules, a Discount Price Option or an Incentive Price Option shall not vest earlier than the second anniversary of its Offering Date.

8. RIGHTS TO EXERCISE OPTIONS

- 8.1 Subject as provided in this Rule 8 and in Rule 9, each Option shall be exercisable, in whole or in part, during the Option Period applicable to that Option subject to any conditions that may be imposed by the Scheme Committee, including a Vesting Schedule in relation to the vesting of any Shares comprised in that Option.
- 8.2 Unless otherwise determined by the Scheme Committee in its absolute discretion, an Option shall, to the extent unexercised, immediately lapse without any claim against the Company:
- (a) subject to Rules 8.3 and 8.4, upon the Participant, being a Group Employee, a Parent Group Employee or an Associated Company Employee, ceasing for any reason whatsoever to be in the employment of the Group, the Parent Group or the Associated Company, as the case may be; or
 - (b) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option; or
 - (c) in the event of any misconduct on the part of the Participant as determined by the Scheme Committee in its absolute discretion.

The discretion to allow the Option to remain valid notwithstanding the circumstances described in sub-paragraphs (a), (b) and (c) above shall be exercised by the Scheme Committee where there are strong justifications under the prevailing circumstances to do so, including, but not limited to, any unfairness caused to the Participant by the lapse of the Option, taking into account factors including, but not limited to, the reasons for the Participant's cessation in his relevant position and the past contributions made by the Participant. In exercising such discretion, the Scheme Committee may also determine the period during which such Option may continue to be exercisable, provided that such period may not in any event exceed the Option Period applicable to such Option. Such exercise shall, at the absolute discretion of the Scheme Committee, either be in full or only in respect of such Shares comprised in that Option for which the Participant would have been entitled to exercise pursuant to Rule 8.1. The Scheme Committee may, in exercising such discretion, allow the Option to be exercised at any time (and, in relation to an Incentive Price Option, provided that the Scheme Committee has determined that the Option is not to be cancelled, the Acquisition Price applicable to that Option shall be the initial Acquisition Price subject to any discount determined by the Scheme Committee), notwithstanding that the date of exercise of such Option falls on a date prior to the first day of the Option Period in respect of such Option.

For the purpose of Rule 8.2(a), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, in the case of a Group Executive Director or a Parent Group Executive Director, mere cessation of performing an executive function is not deemed to be cessation of employment.

- 8.3 If a Participant ceases to be employed by the Group, the Parent Group or an Associated Company, as the case may be, by reason of his:
- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Scheme Committee);
 - (b) redundancy or retrenchment;
 - (c) retirement at or after the legal retirement age; or
 - (d) retirement before the legal retirement age with the consent of the Scheme Committee,

or any other compassionate reason approved in writing by the Scheme Committee, he may, at the absolute discretion of the Scheme Committee, exercise any Option either in full or only in respect of such Shares comprised in that Option for which he would have been entitled to exercise pursuant to Rule 8.1 within such period after the date of such cessation of employment as may be determined by the Scheme Committee in its absolute discretion (but before the expiration of the Option Period in respect of that Option), and upon the expiration of such period, the Option shall lapse. The Scheme

Committee in exercising such discretion, may allow the Option to be exercised at any time (and, in relation to an Incentive Price Option, provided that the Scheme Committee has determined that the Option is not to be cancelled, the Acquisition Price applicable to that Option shall be the initial Acquisition Price subject to any discount determined by the Scheme Committee), notwithstanding that the date of exercise of such Option falls on a date prior to the first day of the Option Period in respect of such Option.

- 8.4 If a Participant ceases to be employed in, or to be a director in, the Group, the Parent Group or of an Associated Company, as the case may be:
- (a) by reason of the company in which he is employed or of which he is a director ceasing to be a company within the Group or the Parent Group, or an Associated Company, as the case may be, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company in the Group or the Parent Group, or such Associated Company, as the case may be; or
 - (b) for any other compassionate reason provided the Scheme Committee gives its consent in writing,

he may, at the absolute discretion of the Scheme Committee exercise any Option then remaining unexercised in the manner and at the times provided in Rule 8.1 or within such other period during the Option Period as may be determined by the Scheme Committee in its absolute discretion, provided that Rules 8.2, 8.3, 8.5 and 8.6 will continue to apply during that period as though the event contemplated in this Rule 8.4 did not occur.

- 8.5 If a Participant dies and at the date of his death holds any unexercised Option, such Option may, at the absolute discretion of the Scheme Committee, be exercised by the duly appointed personal representatives of the Participant within such period after his death as may be determined by the Scheme Committee in its absolute discretion (but before the expiration of the Option Period in respect of that Option), and upon the expiration of such period, the Option shall lapse. Such exercise shall, at the absolute discretion of the Scheme Committee, either be in full or only in respect of such Shares comprised in that Option for which the Participant would have been entitled to exercise pursuant to Rule 8.1. The Scheme Committee may, in exercising such discretion, allow the Option to be exercised at any time (and, in relation to an Incentive Price Option, provided that the Scheme Committee has determined that the Option is not to be cancelled, the Acquisition Price applicable to that Option shall be the initial Acquisition Price subject to any discount determined by the Scheme Committee), notwithstanding that the date of exercise of such Option falls on a date prior to the first day of the Option Period in respect of such Option.
- 8.6 If, for any reason whatsoever, a Participant, being a Group Executive Director or a Group Non-Executive Director, ceases to be a director in the Group or, being a Parent Group Executive Director or a Parent Group Non-Executive Director, ceases to be a director in the Parent Group or, being a director of an Associated Company, ceases to be a director of the Associated Company, any Option then held by him shall, to the extent unexercised, immediately lapse without any claim against the Company, unless otherwise determined by the Scheme Committee in its absolute discretion. Such discretion shall be exercised by the Scheme Committee where there are strong justifications under the prevailing circumstances to do so, including, but not limited to, any unfairness caused to the Participant by the lapse of the Option, taking into account factors including, but not limited to, the reasons for the Participant's cessation in his relevant position and the past contributions made by the Participant. In exercising such discretion, the Scheme Committee may also determine the period during which such Option may continue to be exercisable, provided that such period may not in any event exceed the Option Period applicable to such Option. Such exercise shall, at the absolute discretion of the Scheme Committee, either be in full or only in respect of such Shares comprised in that Option for which the Participant would have been entitled to exercise pursuant to Rule 8.1. The Scheme Committee may, in exercising such discretion, allow the Option to be exercised at any time (and, in relation to an Incentive Price Option, provided that the Scheme Committee has determined that the Option is not to be cancelled, the Acquisition Price applicable to that Option shall be the initial Acquisition Price subject to any discount determined by the Scheme Committee), notwithstanding that the date of exercise of such Option falls on a date prior to the first day of the Option Period in respect of such Option.

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

- 9.1 Notwithstanding Rule 8 but subject to Rule 9.5, in the event of a take-over being made for the Shares, a Participant shall be entitled to exercise in full or in part any Option held by him and as yet unexercised, during 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:
- (a) the expiry of six months thereafter, or such later date as may be determined, prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Scheme Committee and the SGX-ST; or
 - (b) the date of expiry of the Option Period relating thereto, whereupon the Option then remaining unexercised shall lapse.

Provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Participant until the expiry of such specified date or the expiry of the Option Period relating thereto, whichever is earlier. Any Option not so exercised shall lapse provided that the rights of acquisition or obligations to acquire shall have been exercised or performed, as the case may be. If such rights or obligations have not been exercised or performed, the Option shall, subject to Rule 8, remain exercisable until the expiry of the Option Period relating thereto.

- 9.2 If under the Act, 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 is approved by shareholders of the Company and/or sanctioned by the court, each Participant shall be entitled, notwithstanding Rule 8 but subject to Rule 9.5, to exercise any Option then held by him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court (of, if such court sanction is not required, the date upon which the compromise or arrangement is approved by shareholders of the Company) 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 (but not after the expiry of the Option Period relating thereto), whereupon the Option shall lapse and become null and void.
- 9.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.
- 9.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Participant shall be entitled, within thirty (30) days of the passing of the resolution of such winding-up (but not after the expiry of the Option Period relating thereto), to exercise any unexercised Option, after which such unexercised Option shall lapse and become null and void.
- 9.5 If in connection with the making of a general offer referred to in Rule 9.1 or the scheme referred to in Rule 9.2 or the winding-up referred to in Rule 9.4, arrangements are made (which are confirmed in writing by the Auditors or other qualified financial consultants, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, as yet not exercised, may not, at the discretion of the Scheme Committee, be permitted to exercise that Option as provided for in this Rule 9.
- 9.6 To the extent that an Option is not exercised within the periods referred to in this Rule 9, it shall lapse and become null and void.
- 9.7 Any exercise of an Incentive Price Option pursuant to this Rule 9 shall, provided that the Scheme Committee has determined that the Option is not to be cancelled, be at the initial Acquisition Price applicable to that Option subject to any discount determined by the Scheme Committee.

10. EXERCISE OF OPTIONS

- 10.1 An Option may be exercised, in whole or in part, by a Participant giving notice in writing to the Company in, or substantially in, the form of the Exercise Notice set out in Schedule C-1 in relation to a Market Price Option or a Discount Price Option, and in, or substantially in, the form of Schedule C-2 in relation to an Incentive Price Option, subject in each case to such modification as the Scheme Committee may from time to time determine. The Exercise Notice, duly completed, must be accompanied by a remittance for the Aggregate Acquisition Cost in respect of the Shares for which that Option is exercised and any other documentation which the Scheme Committee may require, failing which the Option shall not be treated as validly exercised. All payments made shall be made by cheque, cashiers' order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company.
- 10.2 Subject to the Act and the rules of the Listing Manual, the Company shall have the flexibility to deliver Shares to Participants upon the exercise of their Options by way of:
- (a) an allotment of new Shares; and/or
 - (b) the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares.

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

- 10.3 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to the compliance with the terms of the Scheme and the Memorandum and Articles of Association of the Company, the Company shall, within ten (10) market days after the exercise of an Option, allot the relevant number of new Shares or, as the case may be, transfer or procure the transfer of the relevant number of existing Shares to the Participant and, where required, despatch the share certificates in respect of such Shares by ordinary post or such other mode as the Scheme Committee may deem fit.

Where new Shares are allotted upon the exercise of an Option, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST (and any other stock exchange on which the Shares are quoted or listed) for permission to deal in and for quotation of such Shares.

- 10.4 Shares which are allotted or transferred on the exercise of an Option by a Participant shall be issued or registered (as the case may be) in the name of CDP for credit of the relevant number of Shares to the securities account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent or, if applicable, the CPF investment account maintained with a CPF agent bank.
- 10.5 Shares acquired on the exercise of an Option shall be subject to all the provisions of the Memorandum and Articles of Association of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant date upon which such exercise occurred, and shall in all other respects rank *pari passu* with other existing Shares then in issue. "Record Date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

11. VARIATION OF SHARE CAPITAL

- 11.1 If a variation in the ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, sub-division or consolidation) shall take place, then:
- (a) the Acquisition Price for the Shares, the class and/or number of Shares comprised in the Option to the extent unexercised; and/or

(b) the class and/or number of Shares over which Options may be granted under the Scheme,

shall be adjusted in such manner as the Scheme Committee may determine to be appropriate and except in relation to a capitalisation issue, upon the written confirmation by the Auditors or other qualified financial consultants appointed by the Scheme Committee (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

11.2 Notwithstanding the provisions of Rule 11.1, no such adjustment shall be made:

(a) if as a result, the Participant receives a benefit that a shareholder of the Company does not receive; and

(b) unless the Scheme Committee after considering all relevant circumstances, considers it equitable to do so.

11.3 The following (whether singly or in combination) shall not be regarded as events requiring adjustment:

(a) any issue of securities as consideration for an acquisition or 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 exercise of any Options granted pursuant to the Scheme and any previous scheme(s) and the conversion of (i) the Series A and Series B redeemable convertible preference shares, and (ii) the non-redeemable convertible cumulative preference shares, in the capital of the Company);

(c) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; and

(d) 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) effected on the SGX-ST pursuant to a share purchase mandate (or any renewal thereof) given by the shareholders of the Company in general meeting and for the time being in force.

11.4 Upon any adjustment required to be made pursuant to the foregoing provisions of this Rule 11, the Company shall notify the Participant (or his duly appointed personal representatives, where applicable) in writing and deliver to him (or his duly appointed personal representatives, where applicable) a statement setting forth the Acquisition Price thereafter in effect and the class and/or number of Shares thereafter to be acquired on the exercise of the Option. Any adjustment shall, unless otherwise stated therein, take effect upon such written notification being given.

12. ADMINISTRATION OF THE SCHEME

12.1 The Scheme shall be administered by a Scheme Committee appointed and authorised by the Board to administer the Scheme. The Scheme Committee shall consist of Directors of the Company (including Directors who may be Participants of the Scheme) and may also include one person nominated by the Parent Company to be a member of the Scheme Committee. A member of the Scheme Committee who is also a Participant of the Scheme must not be involved in its deliberations or decisions in respect of Options granted or to be granted to him.

12.2 The Scheme Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.

12.3 Any decision of the Scheme Committee made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors or other qualified financial consultants) shall be final and binding, including any decisions pertaining to the quantum of discount pursuant to Rules 7.2 or 7.3, or to disputes as to the interpretation of the Scheme or any rule, regulation, procedure thereunder or as to any rights under the Scheme.

13. NOTICES

- 13.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Scheme Committee, as may be notified by the Company to him in writing.
- 13.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Scheme Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 13.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notice or other communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 13.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

14. MODIFICATIONS TO THE SCHEME

- 14.1 Any or all the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Scheme Committee, except that:
- (a) no modification or alteration shall alter adversely the rights attaching to any Option granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters of the total number of all the Shares which would fall to be acquired upon exercise in full of all outstanding Options;
 - (b) the definitions of "Group", "Group Employee", "Non-Group Employee", "Group Executive Director", "Group Non-Executive Director", "Parent Company", "Parent Group", "Parent Group Employee", "Parent Group Executive Director", "Parent Group Non-Executive Director", "Associated Company", "Associated Company Employee", "Associated Company Non-Executive Director", "controlling shareholder", "Scheme Committee", "Option Period", "Grantee", "Participant" and "Acquisition Price" and the provisions of Rules 4, 5, 6, 7, 9, 10.1, 10.5, 12 and this Rule 14 shall not be altered to the advantage of Participants except with the prior approval of the Company's shareholders in general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the SGX-ST, or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.
- 14.2 Notwithstanding anything to the contrary contained in Rule 14.1, the Scheme Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 14.3 Written notice of any modification or alteration made in accordance with this Rule 14 shall be given to all Participants.

15. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant (who is a Group Employee, a Parent Group Employee or an Associated Company Employee) shall not be affected by his participation in the Scheme, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

16. DURATION OF THE SCHEME

- 16.1 The Scheme shall continue to be in force at the discretion of the Scheme Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Scheme may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 16.2 The Scheme may be terminated at any time by the Scheme Committee or by resolution of the Company in general meeting subject to all relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 16.3 The termination of the Scheme shall not affect Options which have been granted and accepted as provided in Rule 6.4, whether such Options have been exercised (whether fully or partially) or not. Any Vesting Schedule appertaining to Options granted continues to apply and the Scheme Committee continues to have authority in the case of outstanding Incentive Price Options to cancel such Options and to fix any discounts as the case may be.

17. TAXES

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

18. COSTS AND EXPENSES

- 18.1 Each Participant shall be responsible for all fees of CDP, the Depository Agent or, if applicable, the CPF agent bank relating to or in connection with the allotment and issue or transfer of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent or, if applicable, CPF investment account with a CPF agent bank.
- 18.2 Save for the taxes referred to in Rule 17 and such other costs and expenses expressly provided in the Scheme to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment and issue or transfer of Shares pursuant to the exercise of any Option shall be borne by the Company.

19. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Scheme Committee, the Board and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in delivering the Shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 10.3 (and any other stock exchange on which the Shares are quoted or listed).

20. DISCLOSURES IN ANNUAL REPORTS

The following disclosures (as applicable) will be made by the Company in its annual reports for so long as the Scheme continues in operation:

- (a) The names of the members of the Scheme Committee administering the Scheme.
- (b) The information required in the table below for the following Participants:
- (i) Directors;
 - (ii) Participants who are controlling shareholders of the Company and their associates; and
 - (iii) Participants (other than those in (b)(i) and (b)(ii) above) who receive Options granted pursuant to the Scheme which in aggregate, represent 5% or more of the total number of Shares available under the Scheme.

Name of Participant	Shares under Options granted during financial year under review (including terms)	Aggregate Shares under Options granted since commencement of Scheme to end of financial year under review	Aggregate Shares under Options exercised since commencement of Scheme to end of financial year under review	Aggregate Shares under Options outstanding as at end of financial year under review	Number of new Shares issued to Participant pursuant to exercise of Options during the financial year under review	Number of existing Shares transferred to Participant pursuant to exercise of Options during the financial year under review

- (c) (i) The names of and number and terms of Options granted to each Parent Group Employee and Parent Group Non-Executive Director who receives 5% or more of the total number of Shares available under the Scheme to Parent Group Employees and Parent Group Non-Executive Directors collectively, during the financial year under review.
- (ii) The aggregate number of Shares under Options granted to Parent Group Employees and Parent Group Non-Executive Directors for the financial year under review, and since the commencement of the Scheme to the end of the financial year under review.
- (d) The number and proportion of Shares under Options granted at a discount of 10% or less during the financial year under review.
- (e) The number and proportion of Shares under Options granted at a discount of more than 10% during the financial year under review.

21. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Scheme Committee and its decision shall be final and binding in all respects.

22. GOVERNING LAW

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

23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

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

HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

LETTER OF OFFER

(Market Price Option/Discount Price Option)

Serial No: _____

Date: _____

To: [Name]
[Designation]
[Address]**Private and Confidential**

Dear Sir/Madam

We are pleased to inform you that you have been selected to participate in the HL Global Enterprises Share Option Scheme 2006 (the "Scheme"). Terms as defined in the Scheme shall have the same meanings when used in this letter.

Accordingly, in consideration of the payment of a sum of \$1.00, an offer is hereby made to grant you a ^ Market Price Option/Discount Price Option (the "Option"), to acquire _____ Shares in HL Global Enterprises Limited at a price of \$_____ for each Share (the "Acquisition Price").

* The Acquisition Price represents a discount of _____% to the Market Price.

+ The Option Period applicable to the Option is as follows:

Option Period	
Commencement Date	Expiration Date

The Vesting Schedule applicable to the Shares covered by the Option is as follows:

Vesting Schedule	Percentage of Shares over which the Option is exercisable
+Before _____	Nil
From _____ to _____	(i) Up to _____%
From _____ to _____	(ii) Up to _____% (including (i) above)
After _____	(iii) 100%

The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the prior approval of the Scheme Committee duly authorised and appointed to administer the Scheme.

The Option shall be subject to the terms of the Scheme, a copy of which is enclosed herewith.

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

Yours faithfully

[^] *To be deleted accordingly.*

^{*} *Applicable only to a Discount Price Option.*

⁺ *A Market Price Option may not be exercised before the first anniversary of the Offering Date, while a Discount Price Option may not be exercised before the second anniversary of the Offering Date.*

[#] *Conditions (if any) to be attached to the exercise of the Option will be determined by the Scheme Committee at its absolute discretion.*

HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

LETTER OF OFFER

(Incentive Price Option)

Serial No: _____

Date: _____

To: [Name]
[Designation]
[Address]**Private and Confidential**

Dear Sir/Madam

We are pleased to inform you that you have been selected to participate in the HL Global Enterprises Share Option Scheme 2006 (the "Scheme"). Terms as defined in the Scheme shall have the same meanings when used in this letter.

Accordingly, in consideration of the payment of a sum of \$1.00, an offer is hereby made to grant you an Incentive Price Option (the "Option"), to acquire _____ Shares in HL Global Enterprises Limited at a price of \$_____ for each Share (the "Acquisition Price").

Pursuant to Rule 7.3 of the Scheme, the Acquisition Price may be subject to such discount as may be determined by the Scheme Committee, at its absolute discretion, subject to a maximum discount of 20% thereof. The performance target and Incentive Period are as follows:

[To set out performance target and Incentive Period]

Not later than _____, the Scheme Committee shall inform you as to whether it has granted a discount and, if so, the quantum of the discount on the Acquisition Price applicable to the Option and, if relevant, the adjusted Acquisition Price.

The Scheme Committee may however determine that no discount will be given in respect of the Option, in which event the Acquisition Price shall remain at \$_____ for each Share.

The Scheme Committee may also determine that this Option be cancelled in which case it shall lapse without any claims against the Company.

The Option Period applicable to the Option is as follows:

Option Period	
Commencement Date	Expiration Date

The Vesting Schedule applicable to the Shares covered by the Option is as follows:

Vesting Schedule	Percentage of Shares over which the Option is exercisable
+Before _____	Nil
From _____ to _____	(i) Up to _____ %
From _____ to _____	(ii) Up to _____ % (including (i) above)
After _____	(iii) 100%

The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the prior approval of the Scheme Committee duly authorised and appointed to administer the Scheme.

The Option shall be subject to the terms of the Scheme, a copy of which is enclosed herewith.

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

Yours faithfully

+ *An Incentive Price Option may not be exercised before the second anniversary of the Offering Date.*

Conditions (if any) to be attached to the exercise of the Option will be determined by the Scheme Committee at its absolute discretion

HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

ACCEPTANCE FORM

(Market Price Option/Discount Price Option)

Serial No: _____

To: The Scheme Committee
HL Global Enterprises Share Option Scheme 2006
HL Global Enterprises Limited
156 Cecil Street, #09-01
Far Eastern Bank Building
Singapore 069544

Closing Date for Acceptance of Offer : _____

Number of Shares Offered : _____

Acquisition Price for each Share : \$ _____

Total Amount Payable : \$ _____

I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the *Market Price Option/Discount Price Option to acquire all the Shares at a price of \$ _____ for each Share and enclose cash of \$1.00 as consideration for the Option.

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

I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete accordingly

HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

ACCEPTANCE FORM

(Incentive Price Option)

Serial No: _____

To: The Scheme Committee
HL Global Enterprises Share Option Scheme 2006
HL Global Enterprises Limited
156 Cecil Street, #09-01
Far Eastern Bank Building
Singapore 069544

Closing Date for Acceptance of Offer : _____

Number of Shares Offered : _____

I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the Incentive Price Option to acquire all the Shares at a price of \$_____ for each Share (the "Acquisition Price"), and enclose cash of \$1.00 as consideration for the Option.

I acknowledge that:

- (a) pursuant to Rule 7.3 of the Scheme, the Acquisition Price may be subject to such discount as may be determined by the Scheme Committee, at its absolute discretion, subject to a maximum discount of 20% thereof;
- (b) not later than _____ the day stated in your Letter of Offer, the Scheme Committee shall inform me as to whether it has granted a discount and, if so, the quantum of the discount on the Acquisition Price applicable to the Option and, if relevant, the adjusted Acquisition Price;
- (c) the Scheme Committee may however determine that no discount will be given in respect of the Option, in which event the Acquisition Price shall remain at \$_____ for each Share;
- (d) the Scheme Committee may also determine that this Option be cancelled in which case it shall lapse without any claims against the Company; and
- (e) the decision of the Scheme Committee shall be final and binding.

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

I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete accordingly

HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

**FORM OF EXERCISE OF OPTION
(Market Price Option/Discount Price Option)**

Total number of ordinary shares (the "Shares")
 offered at \$_____ for each Share under
 the Scheme on _____ (Offering Date) : _____

Number of Shares previously acquired
 thereunder : _____

Outstanding balance of Shares to be acquired
 thereunder : _____

Number of Shares now to be acquired : _____

To: The Scheme Committee
 HL Global Enterprises Share Option Scheme 2006
 HL Global Enterprises Limited
 156 Cecil Street, #09-01
 Far Eastern Bank Building
 Singapore 069544

1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, I hereby exercise the *Market Price Option/Discount Price Option to acquire _____ Shares in HL Global Enterprises Limited (the "Company") at \$_____ for each Share.
2. I enclose a *cheque/cashier's order/banker's draft/postal order no. _____ for \$_____ in payment for the total number of the said Shares now to be acquired.
3. I agree to acquire the said Shares subject to the terms of the Letter of Offer, the HL Global Enterprises Share Option Scheme 2006 and the Memorandum and Articles of Association of the Company.
4. I declare that I am acquiring the said Shares for myself and not as a nominee for any other person.
5. I request the Company to allot and issue and/or transfer or procure the transfer of the said Shares referred to in paragraph 1 above in the name of The Central Depository (Pte) Limited ("CDP") and to deliver to CDP the certificate(s) for the Shares for credit to my securities account as specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP and any stamp duty payable in respect thereof:

* (i) Direct Securities Account No.: _____
or

* (ii) Sub-Account No. and Name of Depository Agent
Sub-Account No.: _____

Name of Depository Agent: _____
or

* (iii) CPF Investment Account No. and Name of Agent Bank
CPF Investment Account No.: _____

Name of Agent Bank: _____

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete accordingly

HL GLOBAL ENTERPRISES SHARE OPTION SCHEME 2006

FORM OF EXERCISE OF OPTION
(Incentive Price Option)

Total number of ordinary shares (the "Shares")
 offered at \$_____ for each Share under
 the Scheme on _____ (Offering Date)
 # such price being adjusted to \$_____

for each Share on _____ : _____

Number of Shares previously acquired
 thereunder : _____

Outstanding balance of Shares to be acquired
 thereunder : _____

Number of Shares now to be acquired : _____

To insert the adjusted price, if applicable

To: The Scheme Committee
 HL Global Enterprises Share Option Scheme 2006
 HL Global Enterprises Limited
 156 Cecil Street, #09-01
 Far Eastern Bank Building
 Singapore 069544

1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, and your letter dated _____ issued to me pursuant to Rule 7.3 of the Scheme, I hereby exercise the Incentive Price Option to acquire _____ Shares in HL Global Enterprises Limited (the "Company") at \$_____ for each Share.
2. I enclose a *cheque/cashier's order/banker's draft/postal order no. _____ for \$_____ in payment for the total number of the said Shares now to be acquired.
3. I agree to acquire the said Shares subject to the terms of the Letter of Offer, the HL Global Enterprises Share Option Scheme 2006 and the Memorandum and Articles of Association of the Company.
4. I declare that I am acquiring the said Shares for myself and not as a nominee for any other person.
5. I request the Company to allot and issue and/or transfer or procure the transfer of the said Shares referred to in paragraph 1 above in the name of The Central Depository (Pte) Limited ("CDP") and to deliver to CDP the certificate(s) for the Shares for credit to my securities account as specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP and any stamp duty payable in respect thereof:

* (i) Direct Securities Account No.: _____
or

* (ii) Sub-Account No. and Name of Depository Agent
Sub-Account No.: _____
Name of Depository Agent: _____
or

* (iii) CPF Investment Account No. and Name of Agent Bank
CPF Investment Account No.: _____
Name of Agent Bank: _____

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete accordingly

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