

**CIRCULAR DATED 4 APRIL 2023**

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

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

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

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the contents of this Circular including any statement made, opinion expressed or report contained in this Circular.

This Circular does not constitute or form a part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or invitation or solicitation of an offer to sell, issue or subscribe for, securities in Singapore or any other jurisdiction.

Nothing in this Circular constitutes, or shall be construed as legal, business, financial or tax advice. You should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately if you are in any doubt as to the contents of this Circular or the action you should take.

In-principle approval has been obtained from the SGX-ST for the listing and quotation of the Bonus Shares (as defined herein) and New Shares (as defined herein) to be issued on the Mainboard of the SGX-ST. The SGX-ST’s in-principle approval is not an indication of the merits of the Proposed Bonus Issue (as defined herein), the Bonus Shares, the New Shares, the PSP, the RSP, the Company and/or its subsidiaries (collectively, the “**Group**”), the existing Shares or the Bonus Shares.



**Service You Trust  
SINGAPORE**

**PROPNE X LIMITED**

(Company Registration No. 201801373N)  
(Incorporated in the Republic of Singapore)

## **CIRCULAR TO SHAREHOLDERS**

**in relation to**

- (1) THE PROPOSED BONUS ISSUE OF UP TO 370,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“BONUS SHARES”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE (AS DEFINED HEREIN);**
- (2) PROPOSED ADOPTION OF THE PROPNE X PERFORMANCE SHARE PLAN 2023;**
- (3) PROPOSED ADOPTION OF THE PROPNE X RESTRICTED SHARE PLAN 2023;**
- (4) PROPOSED PARTICIPATION BY MOHAMED ISMAIL S/O ABDUL GAFOORE, A CONTROLLING SHAREHOLDER IN THE PROPNE X PERFORMANCE SHARE PLAN 2023; AND**
- (5) PROPOSED PARTICIPATION BY MOHAMED ISMAIL S/O ABDUL GAFOORE, A CONTROLLING SHAREHOLDER IN THE PROPNE X RESTRICTED SHARE PLAN 2023.**

### **IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form : 22 April 2023 at 10.30 a.m.  
Date and time of Extraordinary General Meeting : 25 April 2023 at 10.30 a.m.

(or as soon after the conclusion or adjournment of the Annual General Meeting (as defined herein) of the Company to be held at 10.00 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : 480 Lorong 6 Toa Payoh #18-01  
HDB Hub, Singapore 310480

# CONTENTS

	Page
<b>CORPORATE INFORMATION</b> .....	2
<b>DEFINITIONS</b> .....	3
<b>LETTER TO SHAREHOLDERS</b> .....	8
1. INTRODUCTION .....	8
2. PROPOSED BONUS ISSUE .....	9
3. NOTICE OF BOOKS CLOSURE .....	12
4. RATIONALE FOR PROPOSED ADOPTION OF PSP AND RSP .....	13
5. PROPOSED ADOPTION OF PSP .....	14
6. PROPOSED ADOPTION OF RSP .....	21
7. DISCLOSURES .....	28
8. PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE PSP AND THE RSP .....	29
9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS .....	31
10. EXTRAORDINARY GENERAL MEETING .....	32
11. ACTION TO BE TAKEN BY SHAREHOLDERS .....	32
12. DIRECTORS' RECOMMENDATION .....	33
13. DIRECTORS' RESPONSIBILITY STATEMENT .....	34
14. DOCUMENTS AVAILABLE FOR INSPECTION .....	34
<b>APPENDIX A – PROPOSED RULES OF THE PROPNEX PERFORMANCE SHARE PLAN 2023</b> .....	35
<b>APPENDIX B – PROPOSED RULES OF THE PROPNEX RESTRICTED SHARE PLAN 2023</b> .....	54
<b>NOTICE OF EXTRAORDINARY GENERAL MEETING</b> .....	74
<b>PROXY FORM</b>	

## CORPORATE INFORMATION

Directors of the Company	:	Mohamed Ismail S/O Abdul Gafoore <i>(Executive Chairman and CEO)</i> Kelvin Fong Keng Seong <i>(Executive Director)</i> Ahmad Bin Mohamed Magad <i>(Lead Independent Director)</i> Kan Yut Keong <i>(Independent Director)</i> Low Wee Siong <i>(Independent Director)</i>
Registered Office of the Company	:	480 Lorong 6 Toa Payoh #10-01 HDB Hub Singapore 310480
Legal Adviser to the Company as to Singapore law in relation to this Circular	:	Virtus Law LLP 8 Marina Boulevard #29-01 Marina Bay Financial Centre Singapore 018981
Legal Adviser to the Company as to Singapore law in relation to the rules of the PropNex Performance Share Plan 2023 and PropNex Restricted Share Plan 2023	:	Eng and Co. LLC 7 Straits View #11-01, Marina One East Tower, Singapore 018936
Share Registrar	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) 80 Robinson Road #11-02 Singapore 068898

## DEFINITIONS

The following definitions shall apply throughout unless otherwise stated in this Circular:

<b>“2023 AGM”</b>	:	The Annual General Meeting of the Company to be held at 480 Lorong 6 Toa Payoh #18-01, HDB Hub, Singapore 310480 on 25 April 2023 at 10.00 a.m.
<b>“Act”</b>	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
<b>“Associate”</b>	:	(a) in relation to any Director, Chief Executive Officer of the Company, a Substantial Shareholder or a Controlling Shareholder (being an individual) means:  (i) his immediate family;  (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and  (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more  (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
<b>“Associated Company”</b>	:	A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries, or a subsidiary of such company, and over whose management the Company has control (as defined in the Listing Manual)
<b>“Award”</b>	:	An award of Shares granted pursuant to the PSP or RSP (as the case may be)
<b>“Award Date”</b>	:	In relation to an Award, the date on which the Award is granted pursuant to the PSP or RSP (as the case may be)
<b>“Board”</b>	:	The board of Directors of the Company as at the date of this Circular
<b>“Bonus Shares”</b>	:	New Shares to be issued by the Company pursuant to the Proposed Bonus Issue
<b>“CDP”</b>	:	The Central Depository (Pte) Limited

<b>“Circular”</b>	:	This circular to Shareholders dated 4 April 2023
<b>“Committee”</b>	:	PSP Committee or RSP Committee (as the case may be)
<b>“Company”</b>	:	PropNex Limited
<b>“Control”</b>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<b>“Controlling Shareholder”</b>	:	A person who: <ul style="list-style-type: none"> <li>(a) holds directly or indirectly 15% or more of the total voting rights in the Company (unless the SGX-ST determines that such a person is not a Controlling Shareholder of the Company); or</li> <li>(b) in fact exercises Control over the Company</li> </ul>
<b>“Date of Grant”</b>	:	The date on which a Share is granted to a Participant pursuant to Rule 6 of the PSP or Rule 6 of the RSP
<b>“Director(s)”</b>	:	The director(s) of the Company as at the date of this Circular
<b>“EGM”</b>	:	The extraordinary general meeting of the Company, notice of which is set out on pages 74 to 78 of this Circular
<b>“EPS”</b>	:	Earnings per Share
<b>“FY”</b>	:	Financial year ended or ending 31 December, as the case may be
<b>“Group”</b>	:	The Company and its subsidiaries, collectively
<b>“Group Employee”</b>	:	Any confirmed employee of the Group, including any Group Executive Director, but excluding any Group Non-Executive Director
<b>“Group Executive Director”</b>	:	Any director of a Group Company or Associated Company (as the case may be) who performs an executive function
<b>“Group Non-Executive Director”</b>	:	Any director of a Group Company or Associated Company (as the case may be) other than a Group Executive Director
<b>“Independent Director”</b>	:	An independent director of the Company, namely Ahmad Bin Mohamed Magad, Kan Yut Keong and Low Wee Siong
<b>“Independent Shareholders”</b>	:	Shareholders other than Shareholders who are Participants and Shareholders who are Associates of the Participants

<b>“Latest Practicable Date”</b>	:	20 March 2023, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	Part A: Mainboard Rules of the Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time
<b>“New Shares”</b>	:	The new Shares which may be allotted and issued from time to time pursuant to the vesting of Award(s)
<b>“Notice of EGM”</b>	:	The notice of EGM as set out on pages 74 to 78 of this Circular, for the purposes of considering and, if thought fit, passing with or without modifications, the resolutions as set out therein
<b>“NTA”</b>	:	Net tangible assets
<b>“Ordinary Resolutions”</b>	:	The ordinary resolutions as set out in the Notice of EGM
<b>“Participant”</b>	:	A person who is selected by the Committee to participate in the PSP and/or RSP, in accordance with the provisions thereof
<b>“Performance Period”</b>	:	The period during which the Performance Targets shall be satisfied
<b>“Performance Targets”</b>	:	The performance targets prescribed by the Committee to be fulfilled by a Participant for any performance period under the PSP
<b>“Proposals”</b>	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
<b>“Proposed Bonus Issue”</b>	:	The proposed bonus issue of up to 370,000,000 new Shares on the basis of one (1) Bonus Share to be credited as fully paid for every one (1) existing Share held by Shareholders as at the Record Date
<b>“Proposed Adoption of RSP”</b>	:	The proposed adoption of the PSP at the EGM
<b>“Proposed Adoption of PSP”</b>	:	The proposed adoption of the RSP at the EGM
<b>“Proposed Participation”</b>	:	Proposed participation by Mohamed Ismail S/O Abdul Gafoore, a Controlling Shareholder in the PSP and RSP
<b>“Proxy Form”</b>	:	The proxy form in respect of the EGM as set out in this Circular

<b>“PSP”</b>	:	The proposed performance share plan known as PropNex Performance Share Plan 2023, the rules of which are set out in Appendix A of this Circular
<b>“PSP Committee”</b>	:	The committee comprising Directors duly authorized and appointed by the Board to administer the PSP
<b>“Record Date”</b>	:	subject to Shareholders’ approval for the Proposed Bonus Issue being obtained at the EGM, 5.00 p.m. on 2 May 2023 (or such other time and date as may be determined by the Directors), being the time and date, at and on which the Share Transfer Books and the Register of Members of the Company will be closed for the purpose of determining entitlements of Shareholders under the Proposed Bonus Issue
<b>“RSP”</b>	:	The proposed restricted share plan known as PropNex Restricted Share Plan 2023, the rules of which are set out in Appendix B of this Circular
<b>“RSP Committee”</b>	:	The committee comprising Directors duly authorized and appointed by the Board to administer the RSP
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent
<b>“Securities and Futures Act”</b>	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
<b>“SFRS(I) 2”</b>	:	Singapore Financial Reporting Standards (International) 2
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean Depositors whose Securities Accounts are credited with such Shares
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company and <b>“Share”</b> shall be construed accordingly
<b>“treasury share”</b>	:	Shall have the meaning ascribed to it under the Act
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
<b>“%” or “per cent.”</b>	:	Percentage or per centum

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

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act and used in this Circular shall have the meaning assigned to it under the Act.

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

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

Any reference to a time of day shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.



**PROPnex LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 201801373N)

**LETTER TO SHAREHOLDERS**

**Directors**

Mohamed Ismail S/O Abdul Gafoore  
*(Executive Chairman and CEO)*  
Kelvin Fong Keng Seong *(Executive Director)*  
Ahmad Bin Mohamed Magad *(Lead Independent Director)*  
Kan Yut Keong *(Independent Director)*  
Low Wee Siong *(Independent Director)*

**Registered Office**

480 Lorong 6 Toa Payoh  
#10-01 HDB Hub  
Singapore 310480

4 April 2023

To: The Shareholders of PropNex Limited

Dear Sir/Madam

- (1) **PROPOSED BONUS ISSUE;**
  - (2) **PROPOSED ADOPTION OF PSP;**
  - (3) **PROPOSED ADOPTION OF RSP; AND**
  - (4) **PROPOSED PARTICIPATION BY MOHAMED ISMAIL S/O ABDUL GAFOORE, A CONTROLLING SHAREHOLDER IN BOTH PSP AND RSP.**
- 

**1. INTRODUCTION**

1.1 The Directors are convening an EGM to be held on 25 April 2023 to seek Shareholders' approval for the following proposals:-

- (a) the Proposed Bonus Issue;
- (b) the Proposed Adoption of PSP;
- (c) the Proposed Adoption of RSP; and
- (d) the Proposed Participation,

(collectively, the "**Proposals**").

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

**1.2 Approval in-principle**

On 13 March 2023, the Company received the approval in-principle of the SGX-ST for the listing and quotation of the Bonus Shares on the Official List of the Main Board of the SGX-ST subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements; and
- (b) submission of a written confirmation confirming that the Proposed Bonus Issue is in compliance with the Act.

Such approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Proposed Bonus Issue, the Bonus Shares, the Company and/or its subsidiaries.

Further, on 31 March 2023, the Company received the approval in-principle of the SGX-ST for the listing and quotation of the New Shares (which may be issued from time to time pursuant to the PSP and RSP) on the Official List of the Main Board of the SGX-ST subject to the following conditions:

- (a) the approval of independent shareholders in respect of the PSP and the RSP; and
- (b) the Company's compliance with the SGX-ST's listing requirements and guidelines.

Such approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the PSP, the RSP, the New Shares, the Company and/or its subsidiaries.

## **2. PROPOSED BONUS ISSUE**

### **2.1 Details**

On 28 February 2023, the Company announced the Proposed Bonus Issue. As at the Latest Practicable Date, the Company has an issued and paid-up share capital comprising 370,000,000 issued Shares. Purely for illustration purposes, if the Proposed Bonus Issue is approved by Shareholders at the EGM and assuming there is no change in the number of issued Shares from the Latest Practicable Date to the Record Date, up to 370,000,000 Bonus Shares will be issued pursuant to the Proposed Bonus Issue. The actual number of Bonus Shares to be issued by the Company will depend on the total number of issued Shares (including treasury shares) as at the Record Date.

The Bonus Shares will be allotted and issued as fully paid at nil consideration to entitled Shareholders without capitalisation of the Company's reserves. The Bonus Shares, when allotted and issued, will rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company and with each other, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the Record Date of which falls on a date before the date on which the Bonus Shares are allotted and issued.

For the avoidance of doubt, the Bonus Shares when allotted and issued, SHALL NOT BE entitled to the proposed tax exempt (one-tier) final dividend of S\$0.08 per Share, announced by the Company on 28 February 2023.

The Bonus Shares will be issued to the Shareholders whose names appear in the Register of Members of the Company or the records of CDP, as the case may be, as at the Record Date for the purpose of determining the entitlements of the Shareholders.

### **2.2 Rationale**

The Company is considering the Proposed Bonus Issue to increase the issued share capital base of the Company to reflect the growth and expansion of its business and to reward and give due recognition to Shareholders for their loyalty and continuing support for the Company. The Proposed Bonus Issue, if carried out, will also increase the accessibility of investing in the Company to more investors, thereby encouraging trading liquidity and greater participation by investors and broadening the shareholder base of the Company.

## 2.3 Compliance with Listing Manual

Pursuant to Rule 838 of the Listing Manual, an issuer must satisfy the SGX-ST that the daily weighted average price of its shares, adjusted for the bonus issue, will not be less than S\$0.50 (“**Minimum Price**”). In compliance with Rule 838, the issuer should compute the adjusted price based on the proposed bonus issue ratio and the issuer’s lowest daily weighted share price of the shares for a month preceding the issuer’s proposed bonus issue application.

For illustration purposes only, the lowest daily weighted average price of the Shares in the month preceding 1 March 2023, being the date of the Proposed Bonus Issue Application is S\$1.6300 and accordingly, the theoretical ex-bonus price (“**TEBP**”) would be calculated as follows:

$$TEBP = \frac{S\$1.6300}{2} \times 1$$

$$TEBP = S\$0.8150$$

Accordingly, the TEBP will be above the Minimum Price. Further, the Company confirms that there is no reason to believe that the TEBP is likely to fall below S\$0.50 for the month preceding the date of the application for the listing and quotation of the Bonus Shares on the Official List of the SGX-ST.

## 2.4 Financial effects of Proposed Bonus Issue

The following pro forma financial effects of the Proposed Bonus Issue are for illustrative purposes only and do not reflect the actual future financial situation of the Company or the Group after the completion of the Proposed Bonus Issue. These pro forma financial effects have been prepared based on the unaudited consolidated financial statements of the Group for FY2022 and the following assumptions:

- (a) there is no change in the total number of issued Shares from the Latest Practicable Date to the Record Date;
- (b) for the purposes of illustrating the effect of the Proposed Bonus Issue on the NTA per Share, it is assumed that the Proposed Bonus Issue had been completed on 31 December 2022; and
- (c) for the purposes of illustrating the effect of the Proposed Bonus Issue on the EPS, it is assumed that the Proposed Bonus Issue had been completed on 1 January 2022.

#### 2.4.1 Share Capital

The financial effect of the Proposed Bonus Issue on the share capital of the Company is illustrated as follows:

	<b>As at the Latest Practicable Date</b>	<b>Immediately after the Proposed Bonus Issue</b>
Share capital	S\$58,983,167	S\$58,983,167
Number of issued Shares excluding treasury shares	370,000,000	740,000,000
Number of treasury shares	0	0

#### 2.4.2 Net Tangible Assets

The financial effect of the Proposed Bonus Issue on the NTA per Share is illustrated as follows:

	<b>As at the Latest Practicable Date</b>	<b>Immediately after the Proposed Bonus Issue</b>
NTA	S\$125,889,138	S\$125,889,138
Number of issued Shares excluding treasury shares	370,000,000	740,000,000
NTA per Share	S\$0.3402	S\$0.1701

#### 2.4.3 Earnings Per Share

The financial effect of the Proposed Bonus Issue on the EPS is illustrated as follows:

	<b>As at the Latest Practicable Date</b>	<b>Immediately after the Proposed Bonus Issue</b>
Profits attributable to Shareholders (after minority interests)	S\$62,363,784	S\$62,363,784
Number of issued Shares excluding treasury shares	370,000,000	740,000,000
EPS	S\$0.1686	S\$0.0843

#### 2.4.4 Gearing

The Proposed Bonus Issue will not have any effect on the gearing of the Group.

#### 2.4.5 Dividend

The Company's dividend record for the last two financial years is as follows:

In respect of	Gross Dividend Amount		
	Interim	Final	Total
FY2021	S\$0.055	S\$0.07	S\$0.125
FY2022	S\$0.055	S\$0.08*	S\$0.135 (estimate)

\* on a pre-Proposed Bonus Issue basis and subject to approval by Shareholders at the 2023 AGM. The actual total amount of dividend will depend on the total number of issued Shares as at the Record Date for the dividend.

Barring any unforeseen circumstances, the Directors are of the opinion that following the Proposed Bonus Issue, there will not be any significant difference in the total quantum of dividend payment. The Company expects to be able to maintain the total quantum of dividend paid in respect of FY2022 for FY2023. However, any recommendation for and the quantum of future dividends will nevertheless be subject to various factors such as the financial performance, cash flows, financial position, expansion requirements, working capital requirements and future prospects of the Group.

### 3. NOTICE OF BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that, subject to Shareholders' approval for the Proposed Bonus Issue being obtained at the EGM, the Share Transfer Books and the Register of Members of the Company will be closed at 5.00 p.m. on 2 May 2023, being the Record Date for the purpose of determining entitlements of Shareholders under the Proposed Bonus Issue.

Shareholders (whose Shares are deposited with CDP) whose Securities Accounts maintained with CDP are credited with Shares as at the Record Date will, subject to the aforesaid Shareholders' approval being obtained at the EGM, be allotted and issued Bonus Shares on the basis of the number of Shares standing to the credit of their Securities Accounts with CDP as at 5.00 p.m. on 2 May 2023, being the Record Date.

Duly completed and stamped transfers in respect of Shares not registered in the name of CDP together with all relevant documents of title thereto received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #11-02, Singapore 068898, up to the close of business at 5.00 p.m. on 2 May 2023, being the Record Date will, subject to the aforesaid Shareholders' approval being obtained at the EGM, be registered to determine entitlements of Shareholders under the Proposed Bonus Issue.

Subject to the aforesaid Shareholders' approval being obtained at the EGM, crediting of the Bonus Shares is expected to be made on 9 May 2023.

#### **4. RATIONALE FOR PROPOSED ADOPTION OF PSP AND RSP**

The PSP and RSP are proposed to provide an opportunity for the Company to reward and motivate employees to achieve greater dedication and higher standards of performance.

The PSP is intended to motivate employee to strive for superior performance and to deliver long-term shareholder value through the use of defined, long-term performance targets, targeting at executive employee in key management positions who shoulder the responsibility for the Company's performance and who are able to drive the growth of the Company through superior performance, while RSP is primarily intended to serve as an additional motivational tool to reward for annual performance and an enhancement of the Group's overall compensation packages, strengthening the Group's ability to retain high performing talent to retain talented executives and other senior management employees.

As eligibility to participate in the PSP is intended for only those most senior executives of the Company (being those senior roles who can influence the overall direction and performance of the Company), the addition of the RSP allows the Company to defer into equity an amount of the annual compensation packages of a broader cohort of senior management. This provides the Company an additional retention tool for future leaders of the Company and allows for risk adjustments to be applied to deferred remuneration to a broader cohort of employees, should they be required.

Awards granted under the PSP to employees of the Group and Associated Companies will differ from those granted under the RSP in that in addition to time and service based conditions, specific longer term of performance target will also need to be met for Awards under the PSP to vest.

The PSP and RSP will provide incentives to high performing employees to excel in their performance and encourage greater dedication and loyalty to the Company. Through the PSP and RSP, the Company will be able to motivate employees to continue to strive for the Group's long-term shareholder value. In addition, the PSP and RSP aim to foster a greater ownership culture within the Group which align the interests of Participants with the interests of Shareholders, and to improve performance and achieve sustainable growth for the Company in the changing business environment. The Company believes that the PSP and RSP will be effective tools in motivating employees to strive to deliver long-term shareholder value.

While the PSP and RSP cater principally to Group Employees, it is recognised that there are other persons who can make significant contributions to the Group through their close working relationship with the Group. Such persons include directors of Associated Companies over which the Company has operational control.

## 5. PROPOSED ADOPTION OF PSP

### 5.1 Summary of the Rules of PSP

The rules of the PSP are set out in **Appendix A** of this Circular. A summary of the rules of the PSP are as follows:

#### 5.1.1 Eligibility

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

- (a) executive employees of any Group Company who hold such rank as may be designated by the PSP Committee from time to time; and
- (b) other Group Employees who, in the opinion of the PSP Committee, have contributed or have the potential to contribute to the success of the Group, or whom the PSP Committee deems appropriate in its sole and absolute discretion,

provided that each person is at least 21 years of age, is not an undischarged bankrupt and where such person is a Controlling Shareholder and/or his Associate, the following paragraph shall apply.

Group Non-Executive Directors are not eligible to participate in the PSP.

Persons who are Controlling Shareholder(s) or their Associates may participate in the PSP provided that:

- (a) the participation of each of them and the actual number and terms of Awards to be granted to each of them, have been approved by independent Shareholders of the Company in general meeting in separate resolutions for each person, and/or according to the prevailing requirements in the Listing Manual. Each of such Controlling Shareholder(s) and/or their Associates shall abstain from voting on the resolution in relation to his participation in the PSP and the grant of Awards to him;
- (b) the aggregate number of Shares available to such Controlling Shareholders and their Associates shall not exceed 25% of the total number of Shares available under the PSP; and
- (c) the aggregate number of Shares available to any one Controlling Shareholder or his Associates shall not exceed 10% of the total number of Shares available under the PSP.

#### 5.1.2 Size of the PSP

The aggregate number of Shares over which the PSP Committee may issue or deliver pursuant to all Awards granted under the PSP, and all other share-based incentive schemes (including without limitation, the RSP) implemented by the Company and for the time being in force (if any), shall not exceed 5% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings.

Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the PSP Committee and shall not count toward the limit stated above.

The following additional limits must not be exceeded:

- (a) the aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the PSP; and
- (b) the aggregate number of Shares available to any one Controlling Shareholder or his Associates shall not exceed 10% of the total number of Shares available under the PSP.

#### 5.1.3 Duration

The PSP shall continue to be in force at the discretion of the PSP Committee, subject to a maximum period of 10 years commencing on the date which the PSP is adopted by the Company in a general meeting, provided always that the PSP may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.

The PSP may be terminated or suspended at any time by the PSP Committee or, at the discretion of the PSP Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the PSP is so terminated, no further Awards shall be offered by the Company pursuant to the PSP.

Notwithstanding the expiry or termination of the PSP, any Award granted and accepted prior to such termination or expiry will continue to remain valid.

#### 5.1.4 Awards

Awards represent the right of a Participant to receive fully-paid Shares (or their equivalent cash value or combination thereof) free of charge, provided that:

- (a) in the case of time-based Awards, there is satisfactory completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of years; and
- (b) in the case of performance-based Awards, prescribed Performance Targets are met prior to the expiry of the prescribed Performance Period. Performance Targets will be set by the PSP Committee depending on each Participant's job scope and responsibilities. The Performance Targets to be set shall take into account both the medium and long-term corporate objectives of the Group and the individual performance of the Participant and will be aimed at sustaining long-term growth. In addition, the Participant's length of service with the Group, achievement of past Performance Targets, value-add to the Group's performance and development and overall enhancement to Shareholder value, inter alia, may be taken into account.



The PSP Committee has the flexibility to determine in its discretion whether to release an Award, wholly or partly, in the form of cash instead of Shares. The equivalent cash value will be based on the aggregate market price of the Shares on the relevant vesting date. In determining whether to release an Award in the form of cash or Shares, the PSP Committee will take into account factors such as (but not limited to) the cost to the Company of releasing the Award. Some factors that the PSP Committee may take into account include the following:

- (a) the cost arising from the issuance of new Shares;
- (b) cost of delivering existing Shares;
- (c) the availability of cash for payment; and/or
- (d) the cost of funding the cash payment.

An Award shall be personal to a Participant to whom it is granted and shall not be transferred (other than to a Participant's duly appointed legal personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the approval of the PSP Committee.

The grant of each Award, each release of Shares, and each payment in lieu of Shares are conditional upon the Company's clawback rights set out under the PSP. The PSP Committee in its sole and absolute discretion can determine if any exceptional circumstances have occurred such that clawback is required. Such circumstances include situations where (i) any Award was based on a material misstatement in financial statements (such that the Award would not have been granted), or (ii) the Participant, at any time, had engaged in any serious misconduct, acted fraudulently or dishonestly, or committed any misfeasance, fraud or wilful breach of trust or duty in relation to the Group, any company within the Group or an Associated Company.

#### 5.1.5 Entitlement to Awards

The selection of the Participants and number of Shares which are the subject of each Award to be granted to a Participant in accordance with the PSP shall be determined at the absolute discretion of the PSP Committee, which shall take into account criteria such as, *inter alia*, the Participant's rank, scope of responsibilities, job performance, years of service, potential for future development and contribution to the success of the Group.

#### 5.1.6 Details of Awards

The PSP Committee shall, in its absolute discretion, decide in relation to an Award:

- (a) the Participant;
- (b) the date on which the Award is to be granted;
- (c) the number of Shares which are the subject of the Award;
- (d) the prescribed service conditions and/or Performance Targets (including the Performance Periods during which the prescribed Performance Targets are to be satisfied) and/or any other basis on which the Award is to be granted;

- (e) the vesting period(s);
- (f) the extent to which Shares which are the subject of that Award shall be vested at the end of each prescribed vesting period or on the prescribed Performance Targets and/or service conditions, if any, being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be; and
- (g) any other condition which the PSP Committee may determine in relation to that Award.

#### 5.1.7 Operation of PSP

The PSP Committee will procure, upon approval of the Board, the allotment or transfer to each Participant of the number of Shares which are to be released to that Participant pursuant to an Award granted under the PSP. Any proposed issue of New Shares will be subject to there being in force at the relevant time the requisite Shareholders' approval under the Act for the issue of Shares and compliance with the Listing Manual. Where New Shares are to be allotted upon the vesting of any Award, the Company shall, as soon as practicable after allotment, where necessary, apply to the SGX-ST for the permission to deal in and for quotation of such Shares on the Mainboard of the SGX-ST.

In determining whether to issue New Shares or to purchase (where applicable) and transfer existing Shares for delivery to Participants upon the vesting of their Awards, the Company will take into account factors such as, but not limited to, the number of Shares to be delivered, the prevailing market price of the Shares and the financial effect on the Company of either issuing New Shares or purchasing (where applicable) and transferring existing Shares.

The financial effects of the above methods are discussed in Section 5.3 below.

New Shares which are allotted and issued and existing Shares held in treasury procured by the Company for transfer, shall be subject to all the provisions of the Constitution, 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 falls on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

The PSP Committee shall have the discretion to determine whether Performance Targets and/or service conditions have been met (whether fully or partially) or exceeded and/or whether the Participant's performance and/or contribution to the Group justifies the vesting of the Award. In making any such determination, the PSP Committee shall have the right to make reference to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the Performance Targets if the PSP Committee decides that a changed Performance Target would be a fairer measure of performance. If the PSP Committee determines, in its absolute discretion, that the Performance Target(s) and/or any other condition applicable to that Award have not been satisfied (whether fully or partially), that Award shall lapse and be of no value.

In the event of:

- (a) subject to the paragraphs below, the Participant ceasing to be in the employment of the Group, or in the case of a Participant who is a Group Executive Director, ceasing to be a director of the relevant company, for any reason whatsoever;
- (b) bankruptcy of the Participant or the happening of any other event which result in him being deprived of the legal or beneficial ownership of such Award;
- (c) any misconduct on the part of the Participant as determined by the PSP Committee in its sole and absolute discretion; or
- (d) if an order is made for the winding-up of the Company on the basis, or by reason of its insolvency,

an Award shall, to the extent unvested, immediately lapse and become null and void and the Participant shall have no claim against the Company.

If a Participant ceases to be employed by the Group or in the case of a Participant who is a Group Executive Director, ceases to be a director of the relevant company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the PSP Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the PSP Committee; or
- (e) any other reason approved in writing by the PSP Committee,

the PSP Committee may, in its absolute discretion, determine whether an Award held by such Participant, to the extent not vested, shall lapse or that all or any part of such Award shall be preserved. If the PSP Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Company. If the PSP Committee determines that all or any part of an Award shall be preserved, the PSP Committee shall decide either to release some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period (if any). In exercising its absolute discretion, the PSP Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable Performance Targets and/or service conditions has been satisfied.

If a Participant dies and at the date of his death holds any unvested Award, such Award may, at the absolute discretion of the PSP Committee, be deemed to have vested in the duly appointed legal personal representatives of the Participant.

## **5.2 Role and composition of the PSP Committee**

The PSP shall be administered by the PSP Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the PSP Committee shall participate in any deliberation or decision in respect of Award(s) to be granted to him or held by him. Unless the Board determines otherwise, the Remuneration Committee of the Company duly appointed by the Board from time to time shall serve as the PSP Committee. For the avoidance of doubt, any Director who is eligible to participate in the PSP shall not be permitted to be part of the PSP Committee.

## **5.3 Financial effects of the PSP**

### **5.3.1 Share Capital**

The PSP may result in an increase in the Company's issued Shares where New Shares are issued to Participants. The number of New Shares issued will depend on, inter alia, the size of the Awards granted under the PSP and also whether the Awards are being satisfied or partly satisfied by Shares purchased by the Company. If instead of issuing New Shares to Participants, existing Shares are purchased for delivery to Participants, the PSP will have no impact on the Company's issued Shares.

In any case, the PSP provides that the number of Shares to be issued under the PSP, together with the number of the Shares to be issued under all other share-based incentive scheme (including without limitation the RSP), will be subject to the maximum limit of 5% of the Company's total issued Shares (excluding treasury shares and subsidiary holdings).

### **5.3.2 Net Tangible Assets**

As explained in Section 5.3.5 below, the PSP will result in a charge to the Company's profit and loss statement equal to the market value at which the existing Shares are purchased or the market value on the date at which New Shares are issued under the Awards. If New Shares are issued to Participants pursuant to the vesting of the Awards, there will be no effect on the NTA. If existing Shares are purchased for delivery to Participants, the NTA would decrease by the cost of the Shares purchased.

### **5.3.3 Earnings per Share**

The PSP will result in a change to earnings equivalent to the market value at which the existing Shares are purchased or the market value on the date at which New Shares are issued under the Awards. Although the PSP will have a dilutive impact (to the extent that New Shares are issued pursuant to the PSP) on the EPS, it should again be noted that the delivery of Shares to Participants in respect of Awards will be contingent upon the Participants meeting the prescribed Performance Targets and conditions.

### **5.3.4 Dilutive Impact**

It is expected that the dilutive impact of the PSP on the NTA per Share and EPS will not be significant as the PSP provides that the aggregate number of Shares available under it, when aggregated with aggregate number of Shares of any other share-based incentive schemes of the Company, will be subject to the maximum limit of 5% of the Company's total issued Shares (excluding treasury shares and subsidiary holdings).

### 5.3.5 Potential Cost of Awards

As Participants are not required to pay for the Awards, such grant of Awards will have a financial impact on the Company.

The PSP is considered a share-based payment that falls under the scope of SFRS(I) 2.

The Awards, if settled by way of the issue of New Shares, would be accounted for as equity-settled share-based payment transactions. The fair value of employee services received in exchange for the grant of the Awards will be recognised as a charge to the consolidated income statement over the vesting period of an Award. The total amount of charge over the vesting period is based on the market price of the Shares at the Date of Grant adjusted to take into account the terms and conditions upon which the Awards were granted. Before the end of the vesting period, at each accounting year end, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the consolidated income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the consolidated income statement is made. No expense is recognised for Awards that are not accepted by the Participants or do not ultimately vest.

## 5.4 **Adjustments and modifications under the PSP**

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

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested and the rights attached thereto; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the PSP,

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

Unless the PSP Committee considers an adjustment to be appropriate, the following events in respect of the Company shall not normally be regarded as circumstances requiring adjustment:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
- (b) the issue of convertible securities or the issue of Shares pursuant to the conversion of convertible securities; and
- (c) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

Notwithstanding the provisions of the PSP Rules:

- (a) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditor (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
- (b) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

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

Subject to the PSP Rules, the PSP may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the Awards were released upon the expiry of all the vesting periods applicable to those Awards;
- (b) any modification or alteration which would be to the advantage of Participants under the PSP shall be subject to the prior approval of the 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, in each case, as may be necessary.

## **6. PROPOSED ADOPTION OF RSP**

### **6.1 Summary of the Rules of the RSP**

The rules of the RSP are set out in **Appendix B** of this Circular. A summary of the rules of the RSP are as follows:–

#### **6.1.1 Eligibility**

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

- (a) executives or senior management employees of any Group Company who hold such rank as may be designated by the RSP Committee from time to time; and
- (b) other Group Employees who, in the opinion of the RSP Committee, have contributed or have the potential to contribute to the success of the Group, or whom the RSP Committee deems appropriate in its sole and absolute discretion,

provided that such person is at least 21 years of age, is not an undischarged bankrupt and where such person is a Controlling Shareholder and/or his Associate, the following paragraph shall apply.

Group Non-Executive Directors are not eligible to participate in the RSP.

Persons who are Controlling Shareholder(s) or their Associates may participate in the RSP provided that:

- (a) the participation of each of them and the actual number and terms of Awards to be granted to each of them, have been approved by independent Shareholders of the Company in general meeting in separate resolutions for each such person, and/or according to the prevailing requirements in the Listing Manual. Each of such Controlling Shareholder(s) and/or their Associates shall abstain from voting on the resolution in relation to his participation in the RSP and the grant of Awards to him;
- (b) the aggregate number of Shares available to such Controlling Shareholders and their Associates shall not exceed 25% of the total number of Shares available under the RSP; and
- (c) the aggregate number of Shares available to any one Controlling Shareholder or his Associates shall not exceed 10% of the total number of Shares available under the RSP.

#### 6.1.2 Size of RSP

The aggregate number of Shares over which the RSP Committee may issue or deliver pursuant to all Awards granted pursuant to the RSP, and all other share-based incentive schemes (including without limitation the RSP) implemented by the Company and for the time being in force (if any), shall not exceed 5% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings.

Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the RSP Committee and shall not count toward the limit stated above.

The following additional limits must not be exceeded:

- (a) the aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the RSP; and
- (b) the aggregate number of Shares available to any one Controlling Shareholder or his Associates shall not exceed 10% of the total number of Shares available under the RSP.

#### 6.1.3 Duration

The RSP shall continue to be in force at the discretion of the RSP Committee, subject to a maximum period of 10 years commencing on the date which the RSP is adopted by the Company in a general meeting, provided always that the RSP may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.

The RSP may be terminated or suspended at any time by the RSP Committee or, at the discretion of the RSP Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the RSP is so terminated, no further Awards shall be offered by the Company pursuant to the RSP.



Notwithstanding the expiry or termination of the RSP, any Award granted and accepted prior to such termination or expiry will continue to remain valid.

#### 6.1.4 Awards

Awards represent the right of a Participant to receive fully-paid Shares (or their equivalent cash value or combination thereof) free of charge, provided that there is completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of months and/or years.

The RSP Committee has the flexibility to determine in its discretion whether to release an Award, wholly or partly, in the form of cash instead of Shares. The equivalent cash value will be based on the aggregate market price of the Shares on the relevant vesting date. In determining whether to release an Award in the form of cash or Shares, the RSP Committee will take into account factors such as (but not limited to) the cost to the Company of releasing the Award. Some factors that the RSP Committee may take into account include the following:

- (a) the cost arising from the issuance of new Shares;
- (b) cost of delivering existing Shares;
- (c) the availability of cash for payment; and/or
- (d) the cost of funding the cash payment.

An Award shall be personal to a Participant to whom it is granted and shall not be transferred (other than to a Participant's duly appointed legal personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the approval of the RSP Committee.

The grant of each Award, each release of Shares, and each payment in lieu of Shares are conditional upon the Company's clawback rights set out under the RSP. The RSP Committee in its sole and absolute discretion can determine if any exceptional circumstances have occurred such that clawback is required. Such circumstances include situations where (i) any Award was based on a material misstatement in financial statements (such that the Award would not have been granted), or (ii) the Participant, at any time, had engaged in any serious misconduct, acted fraudulently or dishonestly, or committed any misfeasance, fraud or wilful breach of trust or duty in relation to the Group, any company within the Group or an Associated Company.

#### 6.1.5 Entitlement to Awards

The selection of the Participants and number of Shares which are the subject of each Award to be granted to a Participant in accordance with the RSP shall be determined at the absolute discretion of the RSP Committee, which shall take into account criteria such as, *inter alia*, the Participant's rank, scope of responsibilities, job performance, years of service, potential for future development and contribution to the success of the Group.



#### 6.1.6 Details of Awards

The RSP Committee shall, in its absolute discretion, decide in relation to an Award:

- (a) the Participant;
- (b) the date on which the Award is to be granted;
- (c) the number of Shares which are the subject of the Award;
- (d) the prescribed service conditions and/or any other basis on which the Award is to be granted;
- (e) the vesting period(s);
- (f) the extent to which Shares which are the subject of that Award shall be vested at the end of each prescribed vesting period or on the prescribed or on the prescribed service conditions, if any, being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be; and
- (g) any other condition which the RSP Committee may determine in relation to that Award.

#### 6.1.7 Operation of RSP

The RSP Committee will procure, upon approval of the Board, the allotment or transfer to each Participant of the number of Shares which are to be released to that Participant pursuant to an Award granted under the RSP. Any proposed issue of New Shares will be subject to there being in force at the relevant time the requisite Shareholders' approval under the Act for the issue of Shares and compliance with the Listing Manual. Where New Shares are to be allotted upon the vesting of any Award, the Company shall, as soon as practicable after allotment, where necessary, apply to the SGX-ST for the permission to deal in and for quotation of such Shares on the Mainboard of the SGX-ST.

In determining whether to issue new Shares or to purchase (where applicable) and transfer existing Shares for delivery to Participants upon the vesting of their Awards, the Company will take into account factors such as, but not limited to, the number of Shares to be delivered, the prevailing market price of the Shares and the financial effect on the Company of either issuing new Shares or purchasing (where applicable) and transferring existing Shares.

The financial effects of the above methods are discussed in Section 6.3 below.

New Shares which are allotted and issued and existing Shares held in treasury procured by the Company for transfer, shall be subject to all the provisions of the Constitution, 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 falls on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

The RSP Committee shall have the discretion to determine whether service conditions have been met (whether fully or partially) or exceeded and/or whether the Participant's performance and/or contribution to the Group justifies the vesting of the Award. In making any such determination, the RSP Committee shall have

the right to make reference to the audited results of the Company or the Group, as the case may be, to take into account such factors as the RSP Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events. If the RSP Committee determines, in its absolute discretion, that the service condition(s) and/or any other condition applicable to that Award have not been satisfied (whether fully or partially), that Award shall lapse and be of no value.

In the event of:

- (a) subject to the paragraphs below, the Participant ceasing to be in the employment of the Group, or in the case of a Participant who is a Group Executive Director, ceasing to be a director of the relevant company, for any reason whatsoever;
- (b) bankruptcy of the Participant or the happening of any other event which result in him being deprived of the legal or beneficial ownership of such Award;
- (c) any misconduct on the part of the Participant as determined by the RSP Committee in its sole and absolute discretion; or
- (d) if an order is made for the winding-up of the Company on the basis, or by reason of its insolvency,

unless the RSP Committee otherwise determines in its absolute discretion, an Award shall, to the extent unvested, immediately lapse and become null and void and the Participant shall have no claim against the Company.

If a Participant ceases to be employed by the Group or in the case of a Participant who is a Group Executive Director, ceases to be a director of the relevant company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the RSP Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the RSP Committee; or
- (e) any other reason approved in writing by the RSP Committee,

the RSP Committee may, in its absolute discretion, determine whether an Award held by such Participant, to the extent not vested, shall lapse or that all or any part of such Award shall be preserved. If the RSP Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Company. If the RSP Committee determines that all or any part of an Award shall be preserved, the RSP Committee shall decide either to release some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the satisfaction of the prescribed service conditions. In exercising its absolute discretion, the RSP Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable service conditions has been satisfied.

If a Participant dies and at the date of his death holds any unvested Award, such Award may, at the absolute discretion of the RSP Committee, be deemed to have vested in the duly appointed legal personal representatives of the Participant.

## **6.2 Role and composition of the RSP Committee**

The RSP shall be administered by the RSP Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the RSP Committee shall participate in any deliberation or decision in respect of Award(s) to be granted to him or held by him. Unless the Board determines otherwise, the Remuneration Committee of the Company duly appointed by the Board from time to time shall serve as the RSP Committee. For the avoidance of doubt, any Director who is eligible to participate in the RSP shall not be permitted to be part of the RSP Committee.

## **6.3 Financial effects of the RSP**

### **6.3.1 Share Capital**

The RSP may result in an increase in the Company's issued Shares where New Shares are issued to Participants. The number of New Shares issued will depend on, inter alia, the size of the Awards granted under the RSP and also whether the Awards are being satisfied or partly satisfied by Shares purchased by the Company. If instead of issuing New Shares to Participants, existing Shares are purchased for delivery to Participants, the RSP will have no impact on the Company's issued Shares.

In any case, the RSP provides that the number of Shares to be issued under the RSP, together with the number of the Shares to be issued under all other share-based incentive scheme (including without limitation the RSP), will be subject to the maximum limit of 5% of the Company's total issued Shares (excluding treasury shares and subsidiary holdings).

### **6.3.2 Net Tangible Assets**

As explained in Section 6.3.5 below, the RSP will result in a charge to the Company's profit and loss statement equal to the market value at which the existing Shares are purchased or the market value on the date at which New Shares are issued under the Awards. If New Shares are issued to Participants pursuant to the vesting of the Awards, there will be no effect on the NTA. If existing Shares are purchased for delivery to Participants, the NTA would decrease by the cost of the Shares purchased.

### **6.3.3 Earnings per Share**

The RSP will result in a change to earnings equivalent to the market value at which the existing Shares are purchased or the market value on the date at which New Shares are issued under the Awards. Although the RSP will have a dilutive impact (to the extent that New Shares are issued pursuant to the RSP) on the EPS, it should again be noted that the delivery of Shares to Participants in respect of Awards will be contingent upon the Participants meeting the prescribed service conditions.

### **6.3.4 Dilutive Impact**

It is expected that the dilutive impact of the RSP on the NTA per Share and EPS will not be significant as the RSP provides that the aggregate number of Shares available under it, when aggregated with aggregate number of Shares of any other share-based incentive schemes of the Company, will be subject to the maximum limit of 5% of the Company's total issued Shares (excluding treasury shares and subsidiary holdings).

### 6.3.5 Potential Cost of Awards

As Participants are not required to pay for the Awards, such grant of Awards will have a financial impact on the Company.

The RSP is considered a share-based payment that falls under the scope of SFRS(I) 2.

The Awards, if settled by way of the issue of New Shares, would be accounted for as equity-settled share-based payment transactions. The fair value of employee services received in exchange for the grant of the Awards will be recognised as a charge to the consolidated income statement over the vesting period of an Award. The total amount of charge over the vesting period is based on the market price of the Shares at the Date of Grant adjusted to take into account the terms and conditions upon which the Awards were granted. Before the end of the vesting period, at each accounting year end, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the consolidated income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the consolidated income statement is made. No expense is recognised for Awards that are not accepted by the Participants or do not ultimately vest.

## 6.4 **Adjustments and modifications under the RSP**

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

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested and the rights attached thereto; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the RSP,

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

Unless the RSP Committee considers an adjustment to be appropriate, the following events in respect of the Company shall not normally be regarded as circumstances requiring adjustment:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
- (b) the issue of convertible securities or the issue of Shares pursuant to the conversion of convertible securities; and
- (c) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

Notwithstanding the provisions of the RSP Rules:

- (a) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditor (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
- (b) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

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

Subject to the RSP Rules, the RSP may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the Awards were released upon the expiry of all the vesting periods applicable to those Awards;
- (b) any modification or alteration which would be to the advantage of Participants under the RSP shall be subject to the prior approval of the 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, in each case, as may be necessary.

## **7. DISCLOSURES**

In accordance with the rules of the Listing Manual, the following shall be disclosed by the Company in its annual report as long as the PSP and/or RSP continues in operation:

- (a) the names of the members of the Committee administering the PSP and/or RSP;
- (b) the information required in the table below for the following Participants:
  - (i) Directors of the Company;–
  - (ii) Participants who are Controlling Shareholder(s) and their Associates; and

- (iii) Participants, other than those in subparagraphs 7(b)(i) and 7(b)(ii) above, who are entitled to receive 5% or more of the total number of Shares available under the PSP and/or RSP,

Name of the Participant	Aggregate number of Shares comprised in Awards which have been granted to such Participant during the FY under review	Aggregate number of Shares comprised in Awards which have been granted to such Participant since the commencement of the PSP or RSP to the end of the FY under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred to such Participant pursuant to the Vesting of Awards since the commencement of the PSP or RSP to the end of the FY under review	Aggregate number of Shares comprised in Awards which have not been Vested as at the end of the FY under review

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

provided that if any of the above requirements is not applicable, an appropriate negative statement shall be included in the annual report.

## **8. PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE PSP AND THE RSP**

### **8.1 Participation by Controlling Shareholders and their Associates**

#### **8.1.1 Rationale**

The main objective of the PSP and RSP is to motivate eligible Participants to optimize their performance and reward them for their significant contributions with participation in equity of the Company. The Company believes that the PSP and the RSP may be effective in motivating eligible Participants to put in their best efforts whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with multinational companies.

To this end, eligible Participants, including Controlling Shareholders and their Associates shall be treated equally as these Controlling Shareholders and their Associates are important to the development and success of the Group. As such, regardless of whether they are Controlling Shareholders or Associates of Controlling Shareholders, the Company's view is that all deserving and eligible Participants should be similarly entitled to take part and benefit from the Company's fair and equitable system of remuneration.

Although the Controlling Shareholders and their Associates may already have shareholding interests in the Company, the extension of the PSP and RSP to include them ensures that they are similarly entitled, with the other eligible employees of the Group who are not Controlling Shareholders or their Associates, to take part and benefit from this system of remuneration. The Directors are of the view that the Company should have a fair and equitable system to reward the

eligible persons who have made and continue to make important contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholders or their Associates.

The terms of the PSP and RSP do not differentiate between the Controlling Shareholders and their Associates from other Participants in determining the eligibility of such persons to be granted Award(s). They should not unduly favour Controlling Shareholders and their Associates. Likewise, Controlling Shareholders and their Associates should not be excluded from participating in the PSP and RSP solely for the reason that they are Controlling Shareholders or Associates of Controlling Shareholders. In addition, to deny participation by the Controlling Shareholders and their Associates may serve to de-motivate them and undermine the objectives of the PSP and RSP.

#### 8.1.2 Safeguards

As a safeguard against abuse, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations in respect of Award(s) to be granted to Controlling Shareholders and their Associates and the terms and conditions attached to such Award(s).

Pursuant to Rule 853 of the Listing Manual, specific approval of the Independent Shareholders is required for the grant of Award(s) to Controlling Shareholders and their Associates as well as the actual number of and terms of such Award(s). In seeking such independent Shareholders' approval, clear justification as to their participation, the number of Award(s) and terms of the Award(s) to be granted to the Controlling Shareholders and their Associates will need to be provided.

As stated in paragraphs 5.1.2 and 6.1.2 above, pursuant to Rules 845(2) and 845(3) of the Listing Manual, the aggregate number of Shares available to Controlling Shareholders and their Associates shall not exceed 25% of the total number of Shares available under the PSP/RSP and the aggregate number of Shares available to any one Controlling Shareholder or his Associates shall not exceed 10% of the total number of Shares available under the PSP/RSP.

The Company is of the view that there are sufficient safeguards against abuse resulting from the participation of the Controlling Shareholders and their Associates in the PSP and RSP.

#### 8.1.3 Controlling Shareholders and their Associates

Under Rule 853 of the Listing Manual, the specific grant of Award(s) to Controlling Shareholders and their Associates will have to be approved by the other Shareholders of the Company at a general meeting. Each of such Controlling Shareholder(s) and/or their Associates shall abstain from voting on the resolution in relation to his participation in the PSP and/or RSP and the grant of Awards to him.

It is proposed that Mohamed Ismail S/O Abdul Gafoore (the Executive Chairman and CEO and a Controlling Shareholder of the Company) be entitled to participate in the PSP and RSP. The actual number and terms of Awards to be granted to Mohamed Ismail S/O Abdul Gafoore will be subject to a separate shareholders' resolution at a subsequent EGM to be convened. For the avoidance of doubt, Mohamed Ismail S/O Abdul Gafoore and/or his Associates shall abstain from voting on the resolution in relation to the grant of Awards to him.



## 8.2 Rationale and justification for proposed participation of Mohamed Ismail S/O Abdul Gafoore, a Controlling Shareholder, in the PSP and RSP

Mohamed Ismail S/O Abdul Gafoore is the Executive Chairman and Chief Executive Officer of the Company, a position which he has held since 13 June 2018 and a Controlling Shareholder of the Company. Mohamed Ismail S/O Abdul Gafoore has more than 20 years' of experience in the real estate industry.

Under Mohamed Ismail S/O Abdul Gafoore's leadership, the Group has managed to grow its business steadily since its founding in 1996. Mohamed Ismail S/O Abdul Gafoore's participation in the PSP and RSP would allow the Company to recognise and reward him for his contributions to the Group. In addition, the Company recognises that Mohamed Ismail S/O Abdul Gafoore is vital to leading in all aspects of the Group's business strategies, business development, policy planning, manpower requirements and day-to-day management and the Company therefore wishes to allow Mohamed Ismail S/O Abdul Gafoore to participate in the PSP and RSP.

In view of the above, the Remuneration Committee is of the view that the proposed participation of Mohamed Ismail S/O Abdul Gafoore in the PSP and RSP will encourage him to take a long-term view of the Group and motivate him towards improving the Company's performance. For the avoidance of doubt, Mohamed Ismail S/O Abdul Gafoore did not participate in the deliberation of the Remuneration Committee in their assessment of his proposed participation.

## 9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders of the Company, the interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

Directors	Direct Interest		Deemed Interest	
	No. of shares	% <sup>(1)</sup>	No. of shares	% <sup>(1)</sup>
Mr. Mohamed Ismail S/O Abdul Gafoore	–	–	240,220,779 <sup>(2)</sup>	64.92
Mr. Kelvin Fong Keng Seong	–	–	32,384,600 <sup>(3)</sup>	8.75
Dr. Ahmad Bin Mohamed Magad	60,000	0.02	–	–
Mr. Kan Yut Keong	–	–	–	–
Mr. Low Wee Siong	–	–	–	–
<b>Substantial Shareholders</b>				
Mr. Lim Tow Huat	–	–	222,620,350 <sup>(4)</sup>	60.17
P&N Holdings Pte. Ltd.	–	–	205,844,129 <sup>(5)</sup>	55.63

### Notes:

(1) Based on 370,000,000 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

(2) The deemed interest in 240,220,779 shares includes:

(a) 205,844,129 shares held by P&N Holdings Pte. Ltd. ("P&N") (62% owned by Mr. Mohamed Ismail); and

(b) 34,376,650 shares held by him through nominee accounts maintained with UOB Kay Hian Private Limited ("UOB Kay Hian").



- (3) The deemed interest in 32,384,600 shares includes:
- (a) 32,284,600 shares held by him through nominee accounts maintained with Citibank Nominees Singapore Pte. Ltd and DBS Nominees Pte Ltd; and
  - (b) 100,000 shares held by his spouse, Lim Bee Hua Janet.
- (4) The deemed interest in 222,620,350 shares includes:
- (a) 205,844,129 shares held by P&N (38% owned by Mr. Lim Tow Huat); and
  - (b) 16,776,221 shares held by him through the nominee account maintained with OCBC Securities Private Ltd.
- (5) The shares are held by P&N through its nominee account maintained with UOB Kay Hian.

None of the Directors and Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposals other than through their respective shareholdings in the Company.

## **10. EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on pages 74 to 78 of this Circular, will be held on 25 April 2023 at 10.30 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purposes of considering and, if thought fit, passing with or without modifications the resolutions set out in the Notice of EGM.

## **11. ACTION TO BE TAKEN BY SHAREHOLDERS**

### **11.1 Participation in the EGM**

The EGM will be held in a wholly physical format and there will be no option for Shareholders to participate virtually. Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote on their behalf are requested to complete, sign and return the proxy form attached to this Circular, in accordance with the instructions printed thereon as soon as possible and in any event, submitted no later than seventy-two (72) hours before the time fixed for the EGM. The completion and submission of the proxy form by a Shareholder will not prevent him from attending, speaking and voting in person at the EGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.

A depositor's name must appear in the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the EGM in order for the depositor to be entitled to attend, speak and vote at the AGM.

### **11.2 Submission of questions**

11.2.1 The Company will address substantial and relevant questions which are submitted by Shareholders in advance of the EGM by publishing the responses to the questions on SGXNet and the Company's website at least seventy-two (72) hours before the closing date and time for the lodgement of the proxy forms for the EGM (i.e. by 10.30 a.m. on 19 April 2023). The Company will also address any subsequent clarifications sought, or follow-up questions in respect of such substantial and relevant questions during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

- 11.2.2 Shareholders can submit questions relating to the resolutions to be tabled for approval at the EGM or in advance of the EGM by email to the Company's investor relation at [investor\\_relations@propnex.com](mailto:investor_relations@propnex.com) by 5.00 p.m. on 13 April 2023.

### 11.3 Voting

- 11.3.1 Any Shareholder entitled to participate or who is interested in the PSP and RSP should abstain from voting at the EGM in respect of all the Ordinary Resolutions relating to the PSP and RSP (Ordinary Resolutions 2 to 5) as set out in the Notice of EGM. Such Shareholders should also not accept nominations as proxies in respect of the aforesaid Ordinary Resolutions, unless specific instructions have been given in the proxy instrument by the independent Shareholders appointing them on how they wish their votes are to be cast for each of the aforesaid Ordinary Resolutions.
- 11.3.2 Mohamed Ismail S/O Abdul Gafoore (*Executive Chairman and CEO*) and Kelvin Fong Keng Seong (*Executive Director*) being Group Executive Directors will be eligible to participate in the PSP and RSP. Therefore, they shall also abstain and shall procure their Associates to abstain from voting at the EGM on Ordinary Resolutions 2 to 5 as set out in the Notice of EGM. The Company will also procure that the aforementioned Directors and their Associates will not accept appointments as proxies for voting at the EGM in respect of the said Ordinary Resolutions unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast.
- 11.3.3 For the avoidance of doubt, the remaining Directors, namely Ahmad Bin Mohamed Magad (*Lead Independent Director*), Kan Yut Keong (*Independent Director*) and Low Wee Siong (*Independent Director*) (collectively referred to as "Independent Directors") being Group Non-Executive Directors, are not entitled to participate in the PSP and RSP. Of the Independent Directors, only Ahmad Bin Mohamed Magad is a Shareholder and may vote in respect of Ordinary Resolutions 2 to 5 as set out in the Notice of EGM in his capacity as Shareholder.

## 12. **DIRECTORS' RECOMMENDATION**

- 12.1 The Directors are of the opinion that the Proposed Bonus Issue is in the interest of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution 1 relating to the Proposed Bonus Issue as set out in the Notice of EGM.
- 12.2 The Independent Directors are of the opinion that the Proposed Adoption of PSP and the Proposed Adoption of RSP are in the interest of the Company. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the Ordinary Resolutions 2 to 5 relating to the Proposed Adoption of PSP and the Proposed Adoption of RSP as set out in the Notice of EGM.

Mohamed Ismail S/O Abdul Gafoore (*Executive Chairman and CEO*) and Kelvin Fong Keng Seong (*Executive Director*), being Group Executive Directors, will be eligible to participate in the PSP and RSP. They have therefore refrained from making any recommendation to the Shareholders Ordinary Resolutions relating to the PSP and RSP (Ordinary Resolutions 2 to 5) as set out in the Notice of EGM.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT**

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

### **14. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected at the registered office of the Company during normal business hours from the date of this Circular up to the date of the EGM:

- (a) The Constitution of the Company;
- (b) The Annual Report for FY2022;
- (c) Rules of the PSP; and
- (d) Rules of the RSP.

Yours faithfully  
for and on behalf of the Board of Directors of

**PropNex Limited**  
Mohamed Ismail S/O Abdul Gafoore  
Executive Chairman and CEO

## APPENDIX A – PROPOSED RULES OF THE PROP Nex PERFORMANCE SHARE PLAN 2023

### 1. NAME OF THE SCHEME

The PropNex Performance Share Plan shall be referred to as the “**PropNex PSP 2023**”.

### 2. DEFINITIONS

2.1. In this PropNex PSP 2023, unless the context otherwise requires, the following words and expressions shall have the following meanings:

<b>Acceptance Form</b>	:	An acceptance form confirming a Participant’s acceptance of an Award, as defined in Rule 7.5;
<b>Acceptance Period</b>	:	The period within which a grant of Award may be accepted, as defined in Rule 7.5;
<b>Act</b>	:	The Companies Act, 1967 of Singapore, as amended or modified from time to time;
<b>Adoption Date</b>	:	The date on which the PropNex PSP 2023 is adopted by the Company in general meeting;
<b>Auditors</b>	:	The auditors for the time being of the Company;
<b>Associate</b>	:	Has the meaning ascribed to it in the Listing Manual;
<b>Associated Company</b>	:	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group, and over which the Company has control;
<b>Award</b>	:	An award of Shares granted under the PropNex PSP 2023;
<b>Award Date</b>	:	The date on which an Award is granted to a Participant pursuant to the Rules;
<b>Award Letter</b>	:	An award letter confirming the grant of an Award to a Participant by the Committee, as defined in Rule 7.4;
<b>Board</b>	:	The board of directors of the Company for the time being;
<b>CDP</b>	:	The Central Depository (Pte) Limited;

<b><i>Change of Control Event</i></b>	:	An event which results in one or more of the following: <ul style="list-style-type: none"> <li>(a) a change in the legal or beneficial ownership of 20% or more of the Company's issued share capital and any subsequent increase of 5% or more of the Company's issued share capital;</li> <li>(b) a change that will or may have the effect of altering control of the Company;</li> <li>(c) the sale of all or substantially all of the business and assets of the Company;</li> </ul>
<b><i>Clawback Determination Date</i></b>	:	Has the meaning given to it in Rule 10.4;
<b><i>Clawback Notification Date</i></b>	:	Has the meaning given to it in Rule 10.4;
<b><i>Clawback Period</i></b>	:	Has the meaning given to it in Rule 10.2(b);
<b><i>Clawback Right</i></b>	:	Has the meaning given to it in Rule 10.2(b);
<b><i>Committee</i></b>	:	A committee comprising Directors duly authorized and appointed by the Board to administer the PropNex PSP 2023;
<b><i>Company</i></b>	:	PropNex Limited (Company Registration Number: 201801373N), a public company incorporated in Singapore with limited liability;
<b><i>Constitution</i></b>	:	The constitution of the Company, as amended from time to time;
<b><i>control</i></b>	:	Has the meaning ascribed to it in the Listing Manual;
<b><i>Controlling Shareholder</i></b>	:	Has the meaning ascribed to it in the Listing Manual;
<b><i>CPF</i></b>	:	Central Provident Fund;
<b><i>Director(s)</i></b>	:	The director(s) of the Company from time to time;
<b><i>Group</i></b>	:	The Company and its Subsidiaries, and each shall be referred to as a <b><i>Group Company</i></b> ;
<b><i>Group Employee</i></b>	:	Any confirmed employee of the Group, including any Group Executive Director, but excluding any Group Non-Executive Director;
<b><i>Group Executive Director</i></b>	:	Any director of a Group Company or Associated Company (as the case may be) who performs an executive function;

<b>Group Non-Executive Director</b>	:	Any director of a Group Company or Associated Company (as the case may be) other than a Group Executive Director;
<b>Listing Manual</b>	:	The listing manual of the SGX-ST, as amended or modified from time to time;
<b>Market Day</b>	:	A day on which the SGX-ST is open for trading of securities;
<b>Participant</b>	:	A person who is selected by the Committee to participate in the PropNex PSP 2023 in accordance with the provisions thereof;
<b>Performance Period</b>	:	The period during which the Performance Targets shall be satisfied;
<b>Performance Targets</b>	:	The performance targets prescribed by the Committee to be fulfilled by a Participant for any performance period under the PropNex PSP 2023;
<b>Personal Data</b>	:	Has the meaning ascribed to it under the PDPA, as may be amended or modified from time to time;
<b>PDPA</b>	:	The Personal Data Protection Act 2012 of Singapore, as amended or modified from time to time;
<b>Record Date</b>	:	The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be);
<b>Recoverable Monies</b>	:	Has the meaning given to it in Rule 10.2(b);
<b>Released Shares</b>	:	Has the meaning given to it in Rule 10.2(b);
<b>Release Value</b>	:	In relation to Released Shares, has the meaning given to it in Rule 10.4(b)(ii);
<b>Rules</b>	:	The rules of the PropNex PSP 2023, as may be amended, modified or altered from time to time;
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited;
<b>Shareholders</b>	:	Registered holders for the time being of Shares, except where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the depositors whose securities accounts are credited with Shares;

<b>Shares</b>	:	Ordinary shares in the issued capital of the Company;
<b>Subsidiary</b>	:	A company which is for the time being a subsidiary of the Company as defined under section 5 of the Companies Act;
<b>SFA</b>	:	The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time;
<b>Vesting</b>	:	In relation to Shares in respect of which the Vesting Period has ended and vesting conditions have been fulfilled to the satisfaction of the Committee in its sole discretion under the PropNex PSP 2023, the absolute entitlement to all or some of the Shares which are the subject of that Award and “ <b>Vest</b> ” and “ <b>Vested</b> ” shall be construed accordingly;
<b>Vesting Date</b>	:	In relation to Shares which are the subject of an Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares shall be Vested pursuant to Rule 9;
<b>Vesting Period</b>	:	In relation to an Award, a period, the duration of which is to be determined by the Committee at the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to Rule 9;
“ <b>S\$</b> ”	:	Singapore dollars; and
“ <b>%</b> ” or “ <b>per cent.</b> ”	:	Percentage or per centum

- 2.2. The terms “**depositor**”, “**depository agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Act.
- 2.3. Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.
- 2.4. Any reference to a time of day and dates in the PropNex PSP 2023 shall be a reference to Singapore time and dates, unless otherwise stated.
- 2.5. Any reference in the PropNex PSP 2023 to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Act or any statutory modification thereof, and used in the PropNex PSP 2023 and the Rules shall, where applicable, have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be, unless otherwise provided.

### 3. OBJECTIVES

The PropNex PSP 2023 is a share incentive scheme. It provides an opportunity for Group Employees to participate in the equity of the Company so as to motivate them to greater dedication and higher standards of performance, and to give recognition to Group Employees who have contributed to the long-term value and the growth of the Group. The main objectives of the PropNex PSP 2023 are to:

- (a) incentivise Group Employees to contribute to the achievement of specific long-term performance objectives of the Group;
- (b) motivate Group Employees to optimize their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (c) retain Group Employees whose contributions are essential to the long-term development, growth and profitability of the Group; and
- (d) align the interests of the Group Employees with the interests of the Shareholders.

### 4. ELIGIBILITY

4.1. The following persons shall be eligible to be selected at the absolute discretion of the Committee to participate in the PropNex PSP 2023:

- (a) executive employees of any Group Company who hold such rank as may be designated by the Committee from time to time; and
- (b) other Group Employees who, in the opinion of the Committee, have contributed or have the potential to contribute to the success of the Group, or whom the Committee deems appropriate in its sole and absolute discretion,

provided that each such person is at least 21 years of age, is not an undischarged bankrupt and where such person is a Controlling Shareholder and/or his Associate, Rule 4.2 shall apply.

Group Non-Executive Directors are not eligible to participate in the PropNex PSP 2023.

4.2. Persons who are Controlling Shareholder(s) or their Associates may participate in the PropNex PSP 2023 provided that:- (a) the participation of each of them; and (b) the actual number and terms of Awards to be granted to each of them, have been approved by independent Shareholders of the Company in general meeting in separate resolutions for each such person, and/or according to the prevailing requirements in the Listing Manual. Each of such Controlling Shareholder(s) and/or their Associates shall abstain from voting on the resolution in relation to his participation in the PropNex PSP 2023 and the grant of Awards to him.

4.3. For the purposes of the application of these Rules to a person referred to in Rule 4.1 above, any reference in these Rules to “**employ**” or “**employment**” shall be construed accordingly in such manner as the Committee deems appropriate in the context of the relationship between such person and the Group Company.

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



## **5. LIMITATION ON THE SIZE OF THE PROPnex PSP 2023**

- 5.1. The aggregate number of Shares over which the Committee may issue or deliver pursuant to all Awards granted under the PropNex PSP 2023, and all other share-based incentive schemes implemented by the Company and for the time being in force (if any), shall not exceed 5% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings.
- 5.2. Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee and shall not count toward the limit under Rule 5.1.
- 5.3. The aggregate number of Shares which may be offered by way of grant of Awards to Controlling Shareholder(s) and/or their Associates shall not exceed 25% of the total number of Shares available under the PropNex PSP 2023.
- 5.4. The aggregate number of Shares which may be offered by way of grant of Awards to each Controlling Shareholder or his Associate shall not exceed 10% of the total number of Shares available under the PropNex PSP 2023.

## **6. DATE OF GRANT**

The Committee may, subject to Rule 4, Rule 5 and Rule 12, grant Awards at any time during the period when the PropNex PSP 2023 is in force, except that no Award shall be granted during the period of one (1) month before the announcement of its half-year financial results (if applicable) and full-year financial results and the period of two (2) weeks before the announcement of the financial results of the Company for each of the first, second and third quarters of its financial year (if applicable). In the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, Awards may only be granted on or after the second Market Day following the day on which such announcement is released.

## **7. GRANT AND ACCEPTANCE OF AWARDS**

- 7.1. The selection of the Participants and number of Shares which are the subject of each Award to be granted to a Participant in accordance with the PropNex PSP 2023 shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as, inter alia, the Participant's rank, scope of responsibilities, job performance, years of service, potential for future development and contribution to the success of the Group.
- 7.2. Awards represent the right of a Participant to receive fully-paid Shares (or their equivalent cash value or combination thereof) free of charge, provided that:–
  - (a) in the case of time-based Awards, there is satisfactory completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of years; and
  - (b) in the case of performance-based Awards, Performance Targets are met prior to the expiry of the prescribed Performance Period. Performance Targets will be set by the Committee depending on each Participant's job scope and responsibilities. The Performance Targets to be set shall take into account both the medium and long-term corporate objectives of the Group and the individual performance of the Participant and will be aimed at sustaining long-term growth. In addition, the Participant's length of service with the Group, achievement of past Performance Targets, value-add to the Group's performance and development and overall enhancement to Shareholder value, inter alia, may be taken into account.

- 7.3. The Committee shall, in its absolute discretion, decide in relation to an Award:
- (a) the Participant;
  - (b) the date on which the Award is to be granted;
  - (c) the number of Shares which are the subject of the Award;
  - (d) the prescribed service conditions and/or Performance Targets (including the Performance Periods during which the prescribed Performance Targets are to be satisfied) and/or any other basis on which the Award is to be granted;
  - (e) the Vesting Period(s);
  - (f) the extent to which Shares which are the subject of that Award shall be Vested at the end of each prescribed Vesting Period or on the prescribed Performance Targets and/or service conditions, if any, being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be; and
  - (g) any other condition which the Committee may determine in relation to that Award.
- 7.4. As soon as reasonably practicable after an Award is finalized by the Committee, the Committee shall send an Award letter to the Participant confirming the said Award which shall be in, or substantially in the form set out in Schedule A, subject to such amendments as the Committee may determine from time to time (“**Award Letter**”).
- 7.5. The grant of an Award shall be accepted at any time within thirty (30) days from the relevant Award Date or such other period determined by the Committee and set out in the Award Letter (the “**Acceptance Period**”). The recipient of an Award must complete, sign and return to the Company the acceptance form in the form or substantially in the form set out in Schedule B (the “**Acceptance Form**”), subject to such modification as the Committee may determine from time to time. The Acceptance Form shall be received by the Company not later than 6:00 p.m. on the date specified in the Award Letter and accompanied by such other documentation as the Company may require.
- 7.6. The Award is deemed not accepted until actual receipt by the Company of the duly signed and completed Acceptance Form and any other documentation as the Company may require. The Committee shall be entitled at its absolute discretion to reject any purported acceptance of the Awards which does not strictly comply with the Rules.
- 7.7. An Award shall be personal to a Participant to whom it is granted and shall not be transferred (other than to a Participant’s duly appointed legal personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the approval of the Committee.
- 7.8. In the event that a grant of Award results in a contravention of any applicable law or regulation, such grant shall be null and void and be of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 7.9. Unless the Committee determines otherwise, a grant of an Award shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in this Rule 7 within the Acceptance Period;

- (b) the Participant dies prior to the Company's receipt of his Acceptance Form;
- (c) the Participant is adjudged a bankrupt or enters into composition with his creditors prior to his acceptance of the Award;
- (d) the Participant ceases to be in the employment of the Group or in the case of a Participant who is a Group Executive Director, ceases to be a director of the relevant company, in each case, for any reason whatsoever prior to his acceptance of the Award; or
- (e) the Company is liquidated or wound-up prior to the Participant's acceptance of the Award.

## **8. EVENTS PRIOR TO VESTING DATE**

8.1. Unless the Committee otherwise determines in its absolute discretion, an Award shall, to the extent unvested, immediately lapse and become null and void and the Participant shall have no claim against the Company:

- (a) subject to Rules 8.2 and 8.3, upon the Participant ceasing to be in the employment of the Group, or in the case of a Participant who is a Group Executive Director, ceasing to be a director of the relevant company, for any reason whatsoever;
- (b) upon the bankruptcy of the Participant or the happening of any other event which result in him being deprived of the legal or beneficial ownership of such Award;
- (c) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion;
- (d) if an order is made for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 8.1(a), the Participant shall be deemed to have ceased to be so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date.

8.2. If a Participant ceases to be employed by the Group or in the case of a Participant who is a Group Executive Director, ceases to be a director of the relevant company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee; or
- (e) any other reason approved in writing by the Committee,

the Committee may, in its absolute discretion, determine whether an Award held by such Participant, to the extent not Vested, shall lapse or that all or any part of such Award shall be preserved. If the Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Company. If the Committee determines that

all or any part of an Award shall be preserved, the Committee shall decide either to release some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period (if any). In exercising its absolute discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable Performance Targets and/or service conditions has been satisfied.

- 8.3. If a Participant dies and at the date of his death holds any unvested Award, such Award may, at the absolute discretion of the Committee, be deemed to have vested in the duly appointed legal personal representatives of the Participant.

## **9. VESTING OF AWARDS**

- 9.1. Awards shall only Vest and consequently any Shares comprised in such Awards shall only be delivered upon all applicable conditions to which such Awards are subject have been satisfied as determined by the Committee in its sole and absolute discretion and in accordance with the vesting schedule, service conditions or Performance Targets to be set out in the Award Letter.

- 9.2. As soon as reasonably practicable after the end of each Performance Period relating to a Performance Target, the Committee shall review the Performance Targets specified in respect of that Award and determine whether they have been satisfied and, if so, the extent to which they have been satisfied (whether fully or partially) and the number of Shares to be released.

- 9.3. The Committee shall have the discretion to determine whether Performance Targets and/or service conditions have been met (whether fully or partially) or exceeded and/or whether the Participant's performance and/or contribution to the Group justifies the vesting of the Award. In making any such determination, the Committee shall have the right to make reference to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the Performance Targets if the Committee decides that a changed Performance Target would be a fairer measure of performance. If the Committee determines, in its absolute discretion, that the Performance Target(s) and/or any other condition applicable to that Award have not been satisfied (whether fully or partially), that Award shall lapse and be of no value.

## **10. CLAWBACK RIGHTS**

- 10.1. The grant of each award, each release of shares, and each payment in lieu of Shares which would otherwise have been released to the Participant is subject to, and conditional upon, the Company's rights as set out in this Rule 10. For the avoidance of doubt, this Rule 10 (and the Company's rights thereunder) shall apply to every Award, without need for a reference to this Rule 10 in the Award Letter or for the Committee to decide that this Rule 10 shall apply (whether pursuant to Rule 7.3 or otherwise).

- 10.2. If the Committee in its sole and absolute discretion determines that any of the exceptional circumstances enumerated in Rule 10.3 has occurred in relation to a Participant, then:

- (a) without prejudice to the provisions of Rule 8.1, the Committee may cancel all or part of any Award to the extent not yet released to such Participant; and
- (b) in respect of all the Shares which were released to such Participant within the period of five (5) years of the Vesting Date in respect of such Award ("**Clawback Period**") (and, for the purposes of this Rule 10, a Share shall be deemed to have been released

to such Participant if such Participant had received payment of cash in lieu of such Share pursuant to Rule 11.6) (such Shares Released during the Clawback Period, the “**Released Shares**”), the Company has the right (“**Clawback Right**”) to compel or otherwise require a Participant to (and the Participant shall) pay to the Company such amount(s) as determined by the Committee (“**Recoverable Monies**”) up to the aggregate of:

- (i) in respect of such of the Released Shares in relation to which the Participant received cash in lieu, the aggregate payments received by such Participant in lieu of such Released Shares pursuant to Rule 11.6 prior to the Clawback Determination Date; and
- (ii) in respect of all other Released Shares, the Release Value of all such Released Shares,

subject to, and in accordance with, and as more fully set out, in Rules 10.4, 10.5 and 10.6.

10.3. The exceptional circumstances referred to in Rule 10.2 are as follows:

- (a) any Award:
  - (i) which was granted to the Participant within the Clawback Period; and/or
  - (ii) pursuant to which any of the Released Shares were released to the Participant, was based (in whole or in part) on a material misstatement in financial statements (irrespective of who caused such inaccuracy, and whether such financial statements were audited or unaudited) for which had it been known at the time, the Award would not have been granted and/or the Released Shares would not have been released to the Participant, as the case may be.
- (b) The Participant had, at any time, engaged in any serious misconduct, acted fraudulently or dishonestly, or committed any misfeasance, fraud or wilful breach of trust or duty in relation to the Group, any company within the Group or an Associated Company.

10.4. Following the Committee making the determination to exercise the Clawback Right (the date on which the determination is made, the “**Clawback Determination Date**”), the Clawback Right shall be exercised in the manner set out in this Rule 10.4.

- (a) The Committee shall, in its sole and absolute discretion, determine (1) the limit on the quantum of the Recoverable Monies pursuant to Rule 10.2(b), and (2) the quantum of the Recoverable Monies. The Committee shall then, within thirty (30) calendar days of the Clawback Determination Date, issue a written notice to the Participant of the following (and the Participant shall be required to comply with all directions issued as part of or pursuant to such notice):
  - (i) the Clawback Determination Date;
  - (ii) the quantum of the Recoverable monies, which amount shall be due and payable to the Company in accordance with such notice;
  - (iii) the method of payment or transfer of the Recoverable Monies to the Company, and who shall bear the fees associated with such payment or transfer (if any);

- (iv) the date by which the Participant has to pay or transfer the Recoverable Monies to the Company; and
- (v) the interest that will accrue if the Participant fails to pay or transfer to the Company the whole of the Recoverable Monies by the date stipulated in such notification (if the Committee so decides in its sole and absolute discretion to impose such interest).

The date of such notice by the Committee to the Participant shall be the “**Clawback Notification Date**”.

- (b) For the purposes of:
  - (i) Rule 10.2(b)(i), the total of the payments made shall be calculated as follows:
    - (1) this amount shall be equal to the total cash paid (prior to the Clawback Determination Date) to the relevant Participant pursuant to Rule 11.6 in lieu of any of the Released Shares; and
    - (2) the amount referred to in sub-paragraph (1) above shall be the aggregate cash paid (prior to the Clawback Determination Date) to the relevant Participant pursuant to Rule 11.6 simpliciter and shall therefore not be adjusted for inflation, without prejudice to the interest payable by such Participant pursuant to Rule 10.4(a); and
  - (ii) Rule 10.2(b)(ii), the “**Release Value**” of the Released Shares means the aggregate of the respective amounts recorded in the Company’s records as the quantum of monetary benefit received by the relevant Participant by virtue of the Release of such Released Shares to such Participant.
- (c) The Company may exercise its Clawback Right more than once, provided that the Recoverable Monies as determined by the Committee for the purposes of such subsequent exercise shall not include any amount which has been paid or which is payable to the Company pursuant to the Company’s previous exercise(s) of its Clawback Right in respect of the Released Shares which are the subject of such subsequent exercise.
- (d) The Participant acknowledges and agrees that:
  - (i) the Participant shall have no right under any circumstances to recover any part of any amount which has been paid or transferred to the Company;
  - (ii) under no circumstances will the amount of money that is payable by the Participant to the Company pursuant to Rule 10.4 be reduced in any way; and
  - (iii) any part of the Recoverable Monies which the Participant has failed to pay or transfer to the Company in accordance with a notice issued by the Committee pursuant to Rule 10.4 shall, together with the interest accrued in accordance with such notice, be a debt due and payable by such Participant to the Company.
- (e) The Participant shall not have any right of dispute, set-off, deduction or withholding against the Company. The Company, by contrast, shall have a right to set-off any sum or liability owed by the Company to the Participant, whether arising under the PropNex PSP 2023 or otherwise, and whether as damages or otherwise.



- (f) The quantum of the Recoverable Monies shall be quoted and payable in Singapore dollars or such other currency (and using such exchange rate) as may be determined by the Committee in its sole and absolute discretion.
- 10.5. The Clawback Right, for the avoidance of doubt, is enforceable against all Participants, including Participants whose Awards have fully Vested and/or been released, Participants who have ceased to be employed by a company within the Group or an Associated Company (as the case may be) and Participants who were Group Executive Directors and who have ceased to be a director of the relevant company within the Group or an Associated Company (as the case may be).
- 10.6. The Clawback Right is in addition to, and without prejudice to, any right or remedy that the Company has vis-à-vis a Participant (whether under the PropNex PSP 2023, contract, tort or any other theory of law).

## **11. DELIVERY OF SHARES**

- 11.1. In determining whether to issue new Shares or to purchase (where applicable) and transfer existing Shares for delivery to Participants upon the Vesting of their Awards, the Company will take into account factors such as, but not limited to, the number of Shares to be delivered, the prevailing market price of the Shares and the financial effect on the Company of either issuing new Shares or purchasing (where applicable) and transferring existing Shares.
- 11.2. The Committee will procure, upon approval of the Board, the allotment or transfer to each Participant of the number of Shares which are to be released to that Participant pursuant to an Award under Rule 7. Any proposed issue of new Shares will be subject to there being in force at the relevant time the requisite Shareholders' approval under the Act for the issue of Shares and compliance with the Listing Manual. Where new Shares are to be allotted upon the Vesting of any Award, the Company shall, as soon as practicable after allotment, where necessary, apply to the SGX-ST for the permission to deal in and for quotation of such Shares on the Mainboard of the SGX-ST.
- 11.3. Shares which are released to a Participant pursuant to a Vesting of an Award under Rule 9 shall, subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the PropNex PSP 2023 and the Constitution, be delivered on a Market Day falling as soon as practicable (as determined by the Committee) after the relevant Vesting Date.
- 11.4. Shares which are allotted or transferred on the release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of either:
  - (a) the securities account of that Participant maintained with CDP;
  - (b) the securities sub-account of that Participant maintained with a depository agent; or
  - (c) the CPF investment account maintained with a CPF agent bank,

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

- 11.5. New Shares which are allotted and issued and existing Shares held in treasury procured by the Company for transfer, shall be subject to all the provisions of the Constitution, 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 falls on or after the relevant Vesting Date, and shall in all other respects rank pari passu with other existing Shares then in issue.
- 11.6. The Committee may determine to make a release of an Award, wholly or partly, in the form of cash rather than Shares which would otherwise have been released to the Participant on the relevant Vesting Date, in which event the Company shall pay to the Participant as soon as practicable after such Vesting Date, in lieu of all or part of such Shares, the aggregate market price of such Shares on such Vesting Date.

## **12. VARIATION OF CAPITAL**

- 12.1. If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place, then:
- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested and the rights attached thereto; and/or
  - (b) the class and/or number of Shares over which future Awards may be granted under the PropNex PSP 2023,
- may be adjusted in such manner as the Committee may determine to be appropriate.
- 12.2. Unless the Committee considers an adjustment to be appropriate, the following events in respect of the Company shall not normally be regarded as circumstances requiring adjustment under the provisions of this Rule 12:
- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
  - (b) the issue of convertible securities or the issue of Shares pursuant to the conversion of convertible securities; and
  - (c) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.
- 12.3. Notwithstanding the provisions of Rule 12.1:
- (a) any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditor (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
  - (b) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.
- 12.4. Upon any adjustment required to be made pursuant to this Rule 12, the Company shall notify the Participant (or his duly appointed legal personal representatives where applicable) in writing and deliver to him (or his duly appointed legal personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award and the date on which such adjustment shall take effect. Any adjustment shall take effect upon such written notification being given.



### **13. DISPOSAL OF SHARES AND WINDING UP OF THE COMPANY**

13.1. If an order or an effective resolution is made or passed for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that they may have been so Vested shall be deemed or become null and void.

13.2. Without prejudice to Rule 8, if before a Vesting Date, any of the following occurs:

- (a) a Change of Control Event occurs or is likely to occur;
- (b) a take-over offer for the Shares becomes or is declared unconditional;
- (c) if under the Act, the courts sanction a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or the Registrar of Companies issues a notice of amalgamation for the purposes of, or in connection with the amalgamation of the Company with another company or companies; or
- (d) an order is made or a resolution passed to voluntarily wind-up of the Company (other than as provided in Rule 13.1 or for amalgamation or reconstruction),

the Committee will consider, at its sole discretion, whether or not to Vest any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Vest any Award, then in determining the number of Shares to be released in respect of such Award, the Committee will (if applicable) have regard to the proportion of the Vesting Period(s) which has elapsed and, in the case of a Performance-related Award, the extent to which the Performance Condition has been satisfied. Where Awards are Vested, the Committee will, as soon as practicable after the Awards have Vested, procure the allotment or transfer to each Participant of the number of Shares so determined in accordance with Rules 9 and 11. If the Committee so determines, the Awards may be satisfied in cash as provided in Rule 11.6.

### **14. ADMINISTRATION OF THE PROPNE X PSP 2023**

14.1. The PropNex PSP 2023 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Award(s) to be granted to him or held by him.

14.2. The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the PropNex PSP 2023) for the implementation and administration of the PropNex PSP 2023 as it thinks fit, including but not limited to:–

- (a) imposing restrictions on the number of Awards that may be Vested within each financial year; and
- (b) amending Performance Targets and/or service conditions if by so doing, it would be a fairer measure of performance for a Participant or for the PropNex PSP 2023 as a whole.

- 14.3. Neither the PropNex PSP 2023 nor the grant of Awards under the PropNex PSP 2023 shall impose on the Company or the Committee any liability whatsoever in connection with:
- (a) the lapsing or early expiry of any Award pursuant to any provision of the PropNex PSP 2023;
  - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the PropNex PSP 2023; and/or
  - (c) any decision or determination of the Committee made pursuant to any provision of the PropNex PSP 2023.
- 14.4. Any decision or determination of the Committee made pursuant to any provision of the PropNex PSP 2023 (other than a matter to be certified by the Auditors) shall be final, binding and conclusive in all cases, including any decisions pertaining to disputes as to the interpretation of the PropNex PSP 2023 or any rule, regulation, or procedure thereunder or as to any rights under the PropNex PSP 2023.

## **15. NOTICES AND ANNUAL REPORT**

- 15.1. Any notice given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.
- 15.2. Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 15.3. 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 15.2 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.
- 15.4. The Company's records of the communications and transactions between the Company and each Participant, relating to or connected with the PropNex PSP 2023, whether stored in electronic or printed form, shall be binding on the relevant Participant and shall be conclusive evidence of such communications and transactions.
- 15.5. The Company shall disclose the following (as applicable) in its annual report for so long as the PropNex PSP 2023 continues in operation:
- (a) the names of the members of the Committee;
  - (b) the information required in the table below for the following Participants:
    - (i) Directors of the Company;–
    - (ii) Participants who are Controlling Shareholder(s) and their Associates; and

- (iii) Participants, other than those in Rule 15.5(b)(i) and Rule 15.5(b)(ii) above, who are entitled to receive 5% or more of the total number of Shares available under the PropNex PSP 2023,

Name of the Participant	Aggregate number of Shares comprised in Awards which have been granted to such Participant during the financial year under review	Aggregate number of Shares comprised in Awards which have been granted to such Participant since the commencement of the PropNex PSP 2023 to the end of the financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred to such Participant pursuant to the Vesting of Awards since the commencement of the PropNex PSP 2023 to the end of the financial year under review	Aggregate number of Shares comprised in Awards which have not been Vested as at the end of the financial year under review

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

provided that if any of the above requirements is not applicable, an appropriate negative statement shall be included in the annual report.

## 16. MODIFICATIONS TO THE PROPNE X PSP 2023

16.1. Any or all the provisions of the PropNex PSP 2023 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the Awards were released upon the expiry of all the Vesting Periods applicable to those Awards;
- (b) any modification or alteration which would be to the advantage of Participants under the PropNex PSP 2023 shall be subject to the prior approval of the 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, in each case, as may be necessary.

16.2. Notwithstanding anything to the contrary contained in Rule 16.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST (if necessary)) amend or alter the PropNex PSP 2023 in any way to the extent necessary to cause the PropNex PSP 2023 to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body.

16.3. Written notice of any modification or alteration made in accordance with this Rule 16 shall be given to all affected Participants in accordance with Rule 15.

## **17. TERMS OF EMPLOYMENT UNAFFECTED**

The terms of employment of a Participant shall not be affected by his participation in the PropNex PSP 2023, 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. The PropNex PSP 2023 shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any Subsidiary and/or Associated Company directly or indirectly or give rise to any cause of action at law or in equity against any such company, its directors or employees.

## **18. DURATION OF THE PROPNEP PSP 2023**

- 18.1. The PropNex PSP 2023 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the PropNex PSP 2023 may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.
- 18.2. The PropNex PSP 2023 may be terminated or suspended at any time by the Committee or, at the discretion of the Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the PropNex PSP 2023 is so terminated, no further Awards shall be offered by the Company hereunder.
- 18.3. Notwithstanding the expiry or termination of the PropNex PSP 2023, any Award granted and accepted prior to such termination or expiry will continue to remain valid.

## **19. TAXES**

All taxes (including income tax) arising from the from the grant of Award, or the allotment and issue, or transfer of Shares pursuant to the Vesting of any Award, shall be borne by that Participant.

## **20. COSTS AND EXPENSES**

- 20.1. Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment, or transfer of any Shares pursuant to the Vesting of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a depository agent or CPF investment account with a CPF agent bank.
- 20.2. Save for the taxes referred to in Rule 19 and such other costs and expenses expressly provided in the PropNex PSP 2023 to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the PropNex PSP 2023 including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer of Shares pursuant to the Vesting of any Award shall be borne by the Company.

## **21. DISCLAIMER OF LIABILITY**

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the PropNex PSP 2023, including but not limited to the Company's delay in issuing the Shares or applying for or procuring the listing of the Shares on the Mainboard of the SGX-ST (or any other stock exchange on which the Shares are quoted or listed).

## **22. ABSTENTION FROM VOTING**

Shareholders who are eligible to participate in the PropNex PSP 2023 shall abstain from voting on any resolution relating to the PropNex PSP 2023.

## **23. CONDITION OF AWARD**

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

## **24. DATA PROTECTION**

24.1. By participating in the PropNex PSP 2023 and for so long as such participation continues, each Participant hereby voluntarily acknowledges, consents and agrees to the following:

- (a) Each of the Relevant Entities may collect, use disclose and/or process Personal Data relating to the Participant for purposes related to the Award and the PropNex PSP 2023, including:–
  - (i) to verify the identity of the Participant;
  - (ii) to administer and manage the Award and/or the PropNex PSP 2023;
  - (iii) to respond to, process and handle the Participant's complaints, queries, requests, feedback and/or suggestions;
  - (iv) to comply with any applicable laws, rules, regulations, codes of practice or guidelines;
  - (v) to assist in law enforcement and investigations by relevant authorities; and
  - (vi) any other purposes reasonably related to the aforesaid;
- (b) any Personal Data submitted to any of the Relevant Entities is complete, accurate, true and correct;
- (c) each of the Relevant Entities may disclose and/or transfer the Participant's Personal Data (including transfer to a territory outside of Singapore) to any of the following parties for the purposes set out in Rule 24.1(a) above:–
  - (i) any of the Relevant Entities, and their respective advisers and service providers (where applicable);
  - (ii) any competent legal and/or regulatory authority and law enforcement agencies as may be required under applicable law; and/or
  - (iii) the Company's successor-in-title, any seller or buyer (actual or prospective) of any part or the whole of the business of the Company, in connection with a merger, acquisition, disposal or sale of any part or the whole of the business of the Company;
- (d) where the Participant provides any of the Relevant Entities with Personal Data relating to a third party in connection with the Award and/or the PropNex PSP 2023, the Participant undertakes that he has obtained the prior consent of such third party for the collection, use, disclosure and/or processing of such information by each of the Relevant Entities for the purposes set out in Rule 24.1(a) above;

- (e) this Rule 24 supplements but does not supersede nor replace any other consent(s) the Participant may have previously provided to any of the Relevant Entities in respect of Personal Data, and the consents of the Participant herein are additional to any rights which any of the Relevant Entities may have under applicable law to collect, use, disclose and/or process Personal Data; and
- (f) the Participant hereby unconditionally and irrevocably undertakes to indemnify, defend and hold harmless each of the Relevant Entities from and against any and all penalties, liabilities, claims, demands, losses and damages which may be sustained, instituted, made or alleged against (including without limitation any claim or prospective claim in connection therewith), or suffered or incurred by any of the Relevant Entities, and which arise (whether directly or indirectly) out of or in connection with: (i) any act or omission by the Participant; (ii) any breach by the Participant of its representations, warranties, undertakings or obligations in this Rule 24; and/or (iii) any failure by the Participant to comply with any data protection or privacy laws of any applicable jurisdictions.

24.2. The Participant may, at any time, exercise his or her rights provided under the PDPA, including but not limited to the right to:

- (a) request access to the Personal Data about the Participant that is in the possession or under the control of the Company;
- (b) request information about the ways in which the Personal Data referred to in Rule 24.2(a) above has been or may have been used or disclosed by the Company within a year before the date of the request; and
- (c) request the correction of an error or omission in the Personal Data referred to in Rule 24.2(a) above.

The Participant may seek to exercise these rights by contacting the data protection officer of any of the specific Relevant Entities at the following email address: dpo@propnex.com.

24.3. For the purposes of this Rule 24:

- (a) “**applicable law**” includes without limitation, for the avoidance of doubt, the PDPA, including any subsidiary legislation, regulations and any codes of practice, guidelines, frameworks or written directions issued thereunder, in each case as amended, consolidated, re-enacted or replaced from time to time; and
- (b) “**Relevant Entities**” means the Group and Associated Companies.

## 25. EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than a Participant or a Group Company shall have any right to enforce any provision of the PropNex PSP 2023 by virtue of the Contracts (Rights of Third Parties) Act 2001 of Singapore.

## 26. DISPUTES

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

## 27. GOVERNING LAW

The PropNex PSP 2023 shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the PropNex PSP 2023, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

## APPENDIX B – PROPOSED RULES OF THE PROPNEX RESTRICTED SHARE PLAN 2023

### 1. NAME OF THE SCHEME

The PropNex Restricted Share Plan shall be referred to as the “**PropNex RSP 2023**”.

### 2. DEFINITIONS

2.1 In this PropNex RSP 2023, unless the context otherwise requires, the following words and expressions shall have the following meanings:

<b><i>Acceptance Form</i></b>	:	An acceptance form confirming a Participant’s acceptance of an Award, as defined in Rule 7.5;
<b><i>Acceptance Period</i></b>	:	The period within which a grant of Award may be accepted, as defined in Rule 7.5;
<b><i>Act</i></b>	:	The Companies Act, 1967 of Singapore, as amended or modified from time to time;
<b><i>Adoption Date</i></b>	:	The date on which the PropNex RSP 2023 is adopted by the Company in general meeting;
<b><i>Auditors</i></b>	:	The auditors for the time being of the Company;
<b><i>Associate</i></b>	:	Has the meaning ascribed to it in the Listing Manual;
<b><i>Associated Company</i></b>	:	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 has control;
<b><i>Award</i></b>	:	An award of Shares granted under the PropNex RSP 2023;
<b><i>Award Date</i></b>	:	The date on which an Award is granted to a Participant pursuant to the Rules;
<b><i>Award Letter</i></b>	:	An award letter confirming the grant of an Award to a Participant by the Committee, as defined in Rule 7.4;
<b><i>Board</i></b>	:	The board of directors of the Company for the time being;
<b><i>CDP</i></b>	:	The Central Depository (Pte) Limited;



<b><i>Change of Control Event</i></b>	:	An event which results in one or more of the following:  (a) a change in the legal or beneficial ownership of 20% or more of the Company's issued share capital and any subsequent increase of 5% or more of the Company's issued share capital;  (b) a change that will or may have the effect of altering control of the Company;  (c) the sale of all or substantially all of the business and assets of the Company.
<b><i>Clawback Determination Date</i></b>	:	Has the meaning given to it in Rule 10.4;
<b><i>Clawback Notification Date</i></b>	:	Has the meaning given to it in Rule 10.4;
<b><i>Clawback Period</i></b>	:	Has the meaning given to it in Rule 10.2(b);
<b><i>Clawback Right</i></b>	:	Has the meaning given to it in Rule 10.2(b);
<b><i>Committee</i></b>	:	A committee comprising Directors duly authorized and appointed by the Board to administer the PropNex RSP 2023;
<b><i>Company</i></b>	:	PropNex Limited (Company Registration Number: 201801373N), a public company incorporated in Singapore with limited liability;
<b><i>Constitution</i></b>	:	The constitution of the Company, as amended from time to time;
<b><i>control</i></b>	:	Has the meaning ascribed to it in the Listing Manual;
<b><i>Controlling Shareholder</i></b>	:	Has the meaning ascribed to it in the Listing Manual;
<b><i>CPF</i></b>	:	Central Provident Fund;
<b><i>Director(s)</i></b>	:	The director(s) of the Company from time to time;
<b><i>Group</i></b>	:	The Company and its Subsidiaries, and each shall be referred to as a <b><i>Group Company</i></b> ;
<b><i>Group Employee</i></b>	:	Any confirmed employee of the Group, including any Group Executive Director, but excluding any Group Non-Executive Director;



<b>Group Executive Director</b>	:	Any director of a Group Company or Associated Company (as the case may be) who performs an executive function;
<b>Group Non-Executive Director</b>	:	Any director of a Group Company or Associated Company (as the case may be) other than a Group Executive Director;
<b>Listing Manual</b>	:	The listing manual of the SGX-ST, as amended or modified from time to time;
<b>Market Day</b>	:	A day on which the SGX-ST is open for trading of securities;
<b>Participant</b>	:	A person who is selected by the Committee to participate in the PropNex RSP 2023 in accordance with the provisions thereof;
<b>Personal Data</b>	:	Has the meaning ascribed to it under the PDPA, as may be amended or modified from time to time;
<b>PDPA</b>	:	The Personal Data Protection Act 2012 of Singapore, as amended or modified from time to time;
<b>Record Date</b>	:	The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be);
<b>Recoverable Monies</b>	:	Has the meaning given to it in Rule 10.2(b);
<b>Released Shares</b>	:	Has the meaning given to it in Rule 10.2(b);
<b>Release Value</b>	:	In relation to Released Shares, has the meaning given to it in Rule 10.4(b)(ii);
<b>Rules</b>	:	The rules of the PropNex RSP 2023, as may be amended, modified or altered from time to time;
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited;
<b>Shareholders</b>	:	Registered holders for the time being of Shares, except where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the depositors whose securities accounts are credited with Shares;
<b>Shares</b>	:	Ordinary shares in the issued capital of the Company;

- Subsidiary** : A company which is for the time being a subsidiary of the Company as defined under section 5 of the Companies Act;
- SFA** : The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time;
- Vesting** : In relation to Shares in respect of which the Vesting Period has ended and vesting conditions have been fulfilled to the satisfaction of the Committee in its sole discretion under the PropNex RSP 2023, the absolute entitlement to all or some of the Shares which are the subject of that Award and “**Vest**” and “**Vested**” shall be construed accordingly;
- Vesting Date** : In relation to Shares which are the subject of an Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares shall be Vested pursuant to Rule 9;
- Vesting Period** : In relation to an Award, a period, the duration of which is to be determined by the Committee at the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to Rule 9;
- “**S\$**” : Singapore dollars; and
- “**%**” or “**per cent.**” : Percentage or per centum
- 2.2 The terms “**depositor**”, “**depository agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Act.
- 2.3 Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.
- 2.4 Any reference to a time of day and dates in the PropNex RSP 2023 shall be a reference to Singapore time and dates, unless otherwise stated.
- 2.5 Any reference in the PropNex RSP 2023 to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Act or any statutory modification thereof, and used in the PropNex RSP 2023 and the Rules shall, where applicable, have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be, unless otherwise provided.

### **3. OBJECTIVES**

The PropNex RSP 2023 is a share incentive scheme. It provides an opportunity for Group Employees to participate in the equity of the Company so as to motivate them to greater dedication and higher standards of performance, and to give recognition to Group Employees who have contributed to the short-term value and the growth of the Group. Although the Company may, where appropriate, continue to distribute cash bonuses to the Group Employees, the Company believes that the PropNex RSP 2023 will be more effective than pure cash bonuses in motivating Group Employees to work towards higher performance goals. The Company believes that the implementation of the PropNex RSP 2023 will enable the Company to structure a competitive remuneration package, which is designed as an additional incentive tool to reward and retain Group Employees. The main objectives of the PropNex RSP 2023 are to:

- (a) reward and recognize Group Employees who have contributed to the short-term success of the Group;
- (b) allow Group Employees to have an equity interest in the Company and to align the interests of the Group Employees with the interests of the Shareholders;
- (c) allow the Company to structure a remuneration package that motivates Group Employees to optimize their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (d) retain Group Employees whose contributions are essential to the short-term development, growth and profitability of the Group;
- (e) attract potential employees with relevant skills and talents necessary to enhance the Group's business; and
- (f) ensure remuneration is risk adjusted through the ability to enact consequence to deferred remuneration.

### **4. ELIGIBILITY**

4.1 The following persons shall be eligible to be selected at the absolute discretion of the Committee to participate in the PropNex RSP 2023:

- (a) executives or senior management employees of any Group Company who hold such rank as may be designated by the Committee from time to time;
- (b) other Group Employees who, in the opinion of the Committee, have contributed or have the potential to contribute to the success of the Group, or whom the Committee deems appropriate in its sole and absolute discretion,

provided that each such person is at least 21 years of age, is not an undischarged bankrupt and where such person is a Controlling Shareholder and/or his Associate, Rule 4.2 shall apply.

Group Non-Executive Directors are not eligible to participate in the PropNex RSP 2023.

4.2 Persons who are Controlling Shareholder(s) or their Associates may participate in the PropNex RSP 2023 provided that:– (a) the participation of each of them; and (b) the actual number and terms of Awards to be granted to each of them, have been approved by independent Shareholders of the Company in general meeting in separate resolutions for each such person, and/or according to the prevailing requirement in the Listing Manual. Each of such Controlling Shareholder(s) or their Associates shall abstain from voting on the resolution in relation to his participation in the PropNex RSP 2023 and the grant of Awards to him.

- 4.3 For the purposes of the application of these Rules to a person referred to in Rule 4.1 above, any reference in these Rules to “**employ**” or “**employment**” shall be construed accordingly in such manner as the Committee deems appropriate in the context of the relationship between such person and the Group Company.
- 4.4 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any of the other companies within the Group or Associated Companies or any other corporation.

## **5. LIMITATION ON THE SIZE OF THE PROPnex RSP 2023**

- 5.1 The aggregate number of Shares over which the Committee may issue or deliver pursuant to all Awards granted under the PropNex RSP 2023, and all other share-based incentive schemes implemented by the Company and for the time being in force (if any), shall not exceed 5% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings.
- 5.2 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee and shall not count toward the limit under Rule 5.1.
- 5.3 The aggregate number of Shares which may be offered by way of grant of Awards to Controlling Shareholder(s) and/or their Associates shall not exceed 25% of the total number of Shares available under the PropNex RSP 2023.
- 5.4 The aggregate number of Shares which may be offered by way of grant of Awards to each Controlling Shareholder or his Associate shall not exceed 10% of the total number of Shares available under the PropNex RSP 2023.

## **6. DATE OF GRANT**

The Committee may, subject to Rule 4, Rule 5 and Rule 12, grant Awards at any time during the period when the PropNex RSP 2023 is in force, except that no Award shall be granted during the period of one (1) month before the announcement of its half-year financial results (if applicable) and full-year financial results and the period of two (2) weeks before the announcement of the financial results of the Company for each of the first, second and third quarters of its financial year (if applicable). In the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, Awards may only be granted on or after the second Market Day following the day on which such announcement is released.

## **7. GRANT AND ACCEPTANCE OF AWARDS**

- 7.1 The selection of the Participants and number of Shares which are the subject of each Award to be granted to a Participant in accordance with the PropNex RSP 2023 shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as, inter alia, the Participant’s rank, scope of responsibilities, job performance, years of service, potential for future development and contribution to the success of the Group.
- 7.2 Awards represent the right of a Participant to receive fully-paid Shares (or their equivalent cash value or combination thereof) free of charge, provided that there is satisfactory completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of months and/or years.

- 7.3 The Committee shall, in its absolute discretion, decide in relation to an Award:
- (a) the Participant;
  - (b) the date on which the Award is to be granted;
  - (c) the number of Shares which are the subject of the Award;
  - (d) the prescribed service conditions and/or any other basis on which the Award is to be granted;
  - (e) the Vesting Period(s);
  - (f) the extent to which Shares which are the subject of that Award shall be Vested at the end of each prescribed Vesting Period or on the prescribed service conditions, if any, being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be; and
  - (g) any other condition which the Committee may determine in relation to that Award.
- 7.4 As soon as reasonably practicable after an Award is finalized by the Committee, the Committee shall send an Award letter to the Participant confirming the said Award which shall be in, or substantially in the form set out in Schedule A, subject to such amendments as the Committee may determine from time to time ("**Award Letter**").
- 7.5 The grant of an Award shall be accepted at any time within thirty (30) days from the relevant Award Date or such other period determined by the Committee and set out in the Award Letter (the "**Acceptance Period**"). The recipient of an Award must complete, sign and return to the Company the acceptance form in the form or substantially in the form set out in Schedule B (the "**Acceptance Form**"), subject to such modification as the Committee may determine from time to time. The Acceptance Form shall be received by the Company not later than 6:00 p.m. on the date specified in the Award Letter and accompanied by such other documentation as the Company may require.
- 7.6 The Award is deemed not accepted until actual receipt by the Company of the duly signed and completed Acceptance Form and any other documentation as the Company may require. The Committee shall be entitled at its absolute discretion to reject any purported acceptance of the Awards which does not strictly comply with the Rules.
- 7.7 An Award shall be personal to a Participant to whom it is granted and shall not be transferred (other than to a Participant's duly appointed legal personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the approval of the Committee.
- 7.8 In the event that a grant of Award results in a contravention of any applicable law or regulation, such grant shall be null and void and be of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 7.9 Unless the Committee determines otherwise, a grant of an Award shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in this Rule 7 within the Acceptance Period;
  - (b) the Participant dies prior to the Company's receipt of his Acceptance Form;
  - (c) the Participant is adjudged a bankrupt or enters into composition with his creditors prior to his acceptance of the Award;

- (d) the Participant ceases to be in the employment of the Group or in the case of a Participant who is a Group Executive Director, ceases to be a director of the relevant company, in each case, for any reason whatsoever prior to his acceptance of the Award; or
- (e) the Company is liquidated or wound-up prior to the Participant's acceptance of the Award.

## **8. EVENTS PRIOR TO VESTING DATE**

8.1 Unless the Committee otherwise determines in its absolute discretion, an Award shall, to the extent unvested, immediately lapse and become null and void and the Participant shall have no claim against the Company:

- (a) subject to Rules 8.2 and 8.3, upon the Participant ceasing to be in the employment of the Group, or in the case of a Participant who is a Group Executive Director, ceasing to be a director of the relevant company, for any reason whatsoever;
- (b) upon the bankruptcy of the Participant or the happening of any other event which result in him being deprived of the legal or beneficial ownership of such Award;
- (c) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion;
- (d) if an order is made for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 8.1(a), the Participant shall be deemed to have ceased to be so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date.

8.2 If a Participant ceases to be employed by the Group or in the case of a Participant who is a Group Executive Director, ceases to be a director of the relevant company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee; or
- (e) any other reason approved in writing by the Committee,

the Committee may, in its absolute discretion, determine whether an Award held by such Participant, to the extent not Vested, shall lapse or that all or any part of such Award shall be preserved. If the Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Company. If the Committee determines that all or any part of an Award shall be preserved, the Committee shall decide either to release some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the satisfaction of the prescribed service conditions. In exercising its absolute discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable service conditions has been satisfied.

- 8.3 If a Participant dies and at the date of his death holds any unvested Award, such Award may, at the absolute discretion of the Committee, be deemed to have vested in the duly appointed legal personal representatives of the Participant.

## 9. VESTING OF AWARDS

- 9.1 Awards shall only Vest and consequently any Shares comprised in such Awards shall only be delivered upon all applicable conditions to which such Awards are subject have been satisfied as determined by the Committee in its sole and absolute discretion and in accordance with the vesting schedule and/or service conditions to be set out in the Award Letter.
- 9.2 The Committee shall have the discretion to determine whether service conditions have been met (whether fully or partially) or exceeded and/or whether the Participant's performance and/or contribution to the Group justifies the vesting of the Award. In making any such determination, the Committee shall have the right to make reference to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events. If the Committee determines, in its absolute discretion, that the service condition(s) and/or any other condition applicable to that Award have not been satisfied (whether fully or partially), that Award shall lapse and be of no value.

## 10. CLAWBACK RIGHTS

- 10.1 The grant of each Award, each release of Shares, and each payment in lieu of Shares which would otherwise have been released to the Participant is subject to, and conditional upon, the Company's rights as set out in this Rule 10. For the avoidance of doubt, this Rule 10 (and the Company's rights thereunder) shall apply to every Award, without need for a reference to this Rule 10 in the Award Letter or for the Committee to decide that this Rule 10 shall apply (whether pursuant to Rule 7.3 or otherwise).
- 10.2 If the Committee in its sole and absolute discretion determines that any of the exceptional circumstances enumerated in Rule 10.3 has occurred in relation to a Participant, then:
- (a) without prejudice to the provisions of Rule 8.1, the Committee may cancel all or part of any Award to the extent not yet released to such Participant; and
  - (b) in respect of all the Shares which were released to such Participant within the period of five (5) years of the Vesting Date in respect of such Award ("**Clawback Period**") (and, for the purposes of this Rule 10, a Share shall be deemed to have been released to such Participant if such Participant had received payment of cash in lieu of such Share pursuant to Rule 11.6) (such Shares released during the Clawback Period, the "**Released Shares**"), the Company has the right ("**Clawback Right**") to compel or otherwise require a Participant to (and the Participant shall) pay to the Company such amount(s) as determined by the Committee ("**Recoverable Monies**") up to the aggregate of:
    - (i) in respect of such of the Released Shares in relation to which the Participant received cash in lieu, the aggregate payments received by such Participant in lieu of such Released Shares pursuant to Rule 11.6 prior to the Clawback Determination Date; and
    - (ii) in respect of all other Released Shares, the Release Value of all such Released Shares,

subject to, and in accordance with, and as more fully set out, in Rules 10.4, 10.5 and 10.6.



10.3 The exceptional circumstances referred to in Rule 10.2 are as follows:

- (a) any Award:
  - (i) which was granted to the Participant within the Clawback Period; and/or
  - (ii) pursuant to which any of the Released Shares were released to the Participant, was based (in whole or in part) on a material misstatement in financial statements (irrespective of who caused such inaccuracy, and whether such financial statements were audited or unaudited) for which had it been known at the time, the Award would not have been granted and/or the Released Shares would not have been released to the Participant, as the case may be.
- (b) The Participant had, at any time, engaged in any serious misconduct, acted fraudulently or dishonestly, or committed any misfeasance, fraud or wilful breach of trust or duty in relation to the Group, any company within the Group or an Associated Company.

10.4 Following the Committee making the determination to exercise the Clawback Right (the date on which the determination is made, the “**Clawback Determination Date**”), the Clawback Right shall be exercised in the manner set out in this Rule 10.4.

- (a) The Committee shall, in its sole and absolute discretion, determine (1) the limit on the quantum of the Recoverable Monies pursuant to Rule 10.2(b), and (2) the quantum of the Recoverable Monies. The Committee shall then, within thirty (30) calendar days of the Clawback Determination Date, issue a written notice to the Participant of the following (and the Participant shall be required to comply with all directions issued as part of or pursuant to such notice):
  - (i) the Clawback Determination Date;
  - (ii) the quantum of the Recoverable monies, which amount shall be due and payable to the Company in accordance with such notice;
  - (iii) the method of payment or transfer of the Recoverable Monies to the Company, and who shall bear the fees associated with such payment or transfer (if any);
  - (iv) the date by which the Participant has to pay or transfer the Recoverable Monies to the Company; and
  - (v) the interest that will accrue if the Participant fails to pay or transfer to the Company the whole of the Recoverable Monies by the date stipulated in such notification (if the Committee so decides in its sole and absolute discretion to impose such interest).

The date of such notice by the Committee to the Participant shall be the “**Clawback Notification Date**”.



- (b) For the purposes of:
- (i) Rule 10.2(b)(i), the total of the payments made shall be calculated as follows:
    - (1) this amount shall be equal to the total cash paid (prior to the Clawback Determination Date) to the relevant Participant pursuant to Rule 11.6 in lieu of any of the Released Shares; and
    - (2) the amount referred to in sub-paragraph (1) above shall be the aggregate cash paid (prior to the Clawback Determination Date) to the relevant Participant pursuant to Rule 11.6 simpliciter and shall therefore not be adjusted for inflation, without prejudice to the interest payable by such Participant pursuant to Rule 10.4(a); and
  - (ii) Rule 10.2(b)(ii), the “**Release Value**” of the Released Shares means the aggregate of the respective amounts recorded in the Company’s records as the quantum of monetary benefit received by the relevant Participant by virtue of the release of such Released Shares to such Participant.
- (c) The Company may exercise its Clawback Right more than once, provided that the Recoverable Monies as determined by the Committee for the purposes of such subsequent exercise shall not include any amount which has been paid or which is payable to the Company pursuant to the Company’s previous exercise(s) of its Clawback Right in respect of the Released Shares which are the subject of such subsequent exercise.
- (d) The Participant acknowledges and agrees that:
- (i) the Participant shall have no right under any circumstances to recover any part of any amount which has been paid or transferred to the Company;
  - (ii) under no circumstances will the amount of money that is payable by the Participant to the Company pursuant to Rule 10.4 be reduced in any way; and
  - (iii) any part of the Recoverable Monies which the Participant has failed to pay or transfer to the Company in accordance with a notice issued by the Committee pursuant to Rule 10.4 shall, together with the interest accrued in accordance with such notice, be a debt due and payable by such Participant to the Company.
- (e) The Participant shall not have any right of dispute, set-off, deduction or withholding against the Company. The Company, by contrast, shall have a right to set-off any sum or liability owed by the Company to the Participant, whether arising under the PropNex RSP 2023 or otherwise, and whether as damages or otherwise.
- (f) The quantum of the Recoverable Monies shall be quoted and payable in Singapore dollars or such other currency (and using such exchange rate) as may be determined by the Committee in its sole and absolute discretion.

10.5 The Clawback Right, for the avoidance of doubt, is enforceable against all Participants, including Participants whose Awards have fully Vested and/or been released, Participants who have ceased to be employed by a company within the Group or an Associated Company (as the case may be) and Participants who were Group Executive Directors and who have ceased to be a director of the relevant company within the Group or an Associated Company (as the case may be).

10.6 The Clawback Right is in addition to, and without prejudice to, any right or remedy that the Company has vis-à-vis a Participant (whether under the PropNex RSP 2023, contract, tort or any other theory of law).

## 11. DELIVERY OF SHARES

11.1 In determining whether to issue new Shares or to purchase (where applicable) and transfer existing Shares for delivery to Participants upon the Vesting of their Awards, the Company will take into account factors such as, but not limited to, the number of Shares to be delivered, the prevailing market price of the Shares and the financial effect on the Company of either issuing new Shares or purchasing (where applicable) and transferring existing Shares.

11.2 The Committee will procure, upon approval of the Board, the allotment or transfer to each Participant of the number of Shares which are to be released to that Participant pursuant to an Award under Rule 7. Any proposed issue of new Shares will be subject to there being in force at the relevant time the requisite Shareholders' approval under the Act for the issue of Shares and compliance with the Listing Manual. Where new Shares are to be allotted upon the Vesting of any Award, the Company shall, as soon as practicable after allotment, where necessary, apply to the SGX-ST for the permission to deal in and for quotation of such Shares on the Mainboard of the SGX-ST.

11.3 Shares which are released to a Participant pursuant to a Vesting of an Award under Rule 9 shall, subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the PropNex RSP 2023 and the Constitution, be delivered on a Market Day falling as soon as practicable (as determined by the Committee) after the relevant Vesting Date.

11.4 Shares which are allotted or transferred on the release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of either:

- (a) the securities account of that Participant maintained with CDP;
- (b) the securities sub-account of that Participant maintained with a depository agent; or
- (c) the CPF investment account maintained with a CPF agent bank,

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

11.5 New Shares which are allotted and issued and existing Shares held in treasury procured by the Company for transfer, shall be subject to all the provisions of the Constitution, 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 falls on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

11.6 The Committee may determine to make a release of an Award, wholly or partly, in the form of cash rather than Shares which would otherwise have been released to the Participant on the relevant Vesting Date, in which event the Company shall pay to the Participant as soon as practicable after such Vesting Date, in lieu of all or part of such Shares, the aggregate market price of such Shares on such Vesting Date.

## 12. VARIATION OF CAPITAL

12.1 If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested and the rights attached thereto; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the PropNex RSP 2023,

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

12.2 Unless the Committee considers an adjustment to be appropriate, the following events in respect of the Company shall not normally be regarded as circumstances requiring adjustment under the provisions of this Rule 12:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
- (b) the issue of convertible securities or the issue of Shares pursuant to the conversion of convertible securities; and
- (c) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

12.3 Notwithstanding the provisions of Rule 12.1:

- (a) any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditor (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
- (b) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

12.4 Upon any adjustment required to be made pursuant to this Rule 12, the Company shall notify the Participant (or his duly appointed legal personal representatives where applicable) in writing and deliver to him (or his duly appointed legal personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award and the date on which such adjustment shall take effect. Any adjustment shall take effect upon such written notification being given.

### **13. DISPOSAL OF SHARES AND WINDING UP OF THE COMPANY**

13.1 If an order or an effective resolution is made or passed for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that they may have been so Vested shall be deemed or become null and void.

13.2 Without prejudice to Rule 8, if before a Vesting Date, any of the following occurs:

- (a) a Change of Control Event occurs or is likely to occur;
- (b) a take-over offer for the Shares becomes or is declared unconditional;
- (c) if under the Act, the courts sanction a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or the Registrar of Companies issues a notice of amalgamation for the purposes of, or in connection with the amalgamation of the Company with another company or companies; or
- (d) an order is made or a resolution passed to voluntarily wind-up of the Company (other than as provided in Rule 13.1 or for amalgamation or reconstruction),

the Committee will consider, at its sole discretion, whether or not to Vest any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Vest any Award, then in determining the number of Shares to be released in respect of such Award, the Committee will (if applicable) have regard to the proportion of the Vesting Period(s) which has elapsed and/or the extent to which service conditions have been satisfied. Where Awards are Vested, the Committee will, as soon as practicable after the Awards have Vested, procure the allotment or transfer to each Participant of the number of Shares so determined in accordance with Rules 9 and 11. If the Committee so determines, the Awards may be satisfied in cash as provided in Rule 11.6.

### **14. ADMINISTRATION OF THE PROPNE X RSP 2023**

14.1 The PropNex RSP 2023 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Award(s) to be granted to him or held by him.

14.2 The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the PropNex RSP 2023) for the implementation and administration of the PropNex RSP 2023 as it thinks fit, including but not limited to:–

- (a) imposing restrictions on the number of Awards that may be Vested within each financial year; and
- (b) amending service conditions applicable to a Participant.

- 14.3 Neither the PropNex RSP 2023 nor the grant of Awards under the PropNex RSP 2023 shall impose on the Company or the Committee any liability whatsoever in connection with:
- (a) the lapsing or early expiry of any Award pursuant to any provision of the PropNex RSP 2023;
  - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the PropNex RSP 2023; and/or
  - (c) any decision or determination of the Committee made pursuant to any provision of the PropNex RSP 2023.
- 14.4 Any decision or determination of the Committee made pursuant to any provision of the PropNex RSP 2023 (other than a matter to be certified by the Auditors) shall be final, binding and conclusive in all cases, including any decisions pertaining to disputes as to the interpretation of the PropNex RSP 2023 or any rule, regulation, or procedure thereunder or as to any rights under the PropNex RSP 2023.

## **15. NOTICES AND ANNUAL REPORT**

- 15.1 Any notice given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.
- 15.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 15.3 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 15.2 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.
- 15.4 The Company's records of the communications and transactions between the Company and each Participant, relating to or connected with the PropNex RSP 2023, whether stored in electronic or printed form, shall be binding on the relevant Participant and shall be conclusive evidence of such communications and transactions.
- 15.5 The Company shall disclose the following (as applicable) in its annual report for so long as the PropNex RSP 2023 continues in operation:
- (a) the names of the members of the Committee;
  - (b) the information required in the table below for the following Participants:
    - (i) Directors of the Company;
    - (ii) Participants who are Controlling Shareholder(s) and their Associates; and

- (iii) Participants, other than those in Rule 15.5(b)(i) and Rule 15.5(b)(ii) above, who are entitled to receive 5% or more of the total number of Shares available under the PropNex RSP 2023,

Name of the Participant	Aggregate number of Shares comprised in Awards which have been granted to such Participant during the financial year under review	Aggregate number of Shares comprised in Awards which have been granted to such Participant since the commencement of the PropNex RSP 2023 to the end of the financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred to such Participant pursuant to the Vesting of Awards since the commencement of the PropNex RSP 2023 to the end of the financial year under review	Aggregate number of Shares comprised in Awards which have not been Vested as at the end of the financial year under review

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

provided that if any of the above requirements is not applicable, an appropriate negative statement shall be included in the annual report.

## 16. MODIFICATIONS TO THE PROP Nex RSP 2023

16.1 Any or all the provisions of the PropNex RSP 2023 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the Awards were released upon the expiry of all the Vesting Periods applicable to those Awards;
- (b) any modification or alteration which would be to the advantage of Participants under the PropNex RSP 2023 shall be subject to the prior approval of the 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, in each case, as may be necessary.

16.2 Notwithstanding anything to the contrary contained in Rule 16.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST (if necessary)) amend or alter the PropNex RSP 2023 in any way to the extent necessary to cause the PropNex RSP 2023 to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body.

16.3 Written notice of any modification or alteration made in accordance with this Rule 16 shall be given to all affected Participants in accordance with Rule 15.

## **17. TERMS OF EMPLOYMENT UNAFFECTED**

The terms of employment of a Participant shall not be affected by his participation in the PropNex RSP 2023, 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. The PropNex RSP 2023 shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any Subsidiary and/or Associated Company directly or indirectly or give rise to any cause of action at law or in equity against any such company, its directors or employees.

## **18. DURATION OF THE PROPNE X RSP 2023**

- 18.1 The PropNex RSP 2023 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the PropNex RSP 2023 may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.
- 18.2 The PropNex RSP 2023 may be terminated or suspended at any time by the Committee or, at the discretion of the Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the PropNex RSP 2023 is so terminated, no further Awards shall be offered by the Company hereunder.
- 18.3 Notwithstanding the expiry or termination of the PropNex RSP 2023, any Award granted and accepted prior to such termination or expiry will continue to remain valid.

## **19. TAXES**

All taxes (including income tax) arising from the from the grant of Award, or the allotment and issue, or transfer of Shares pursuant to the Vesting of any Award, shall be borne by that Participant.

## **20. COSTS AND EXPENSES**

- 20.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment, or transfer of any Shares pursuant to the Vesting of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a depository agent or CPF investment account with a CPF agent bank.
- 20.2 Save for the taxes referred to in Rule 19 and such other costs and expenses expressly provided in the PropNex RSP 2023 to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the PropNex RSP 2023 including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer of Shares pursuant to the Vesting of any Award shall be borne by the Company.

## **21. DISCLAIMER OF LIABILITY**

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the PropNex RSP 2023, including but not limited to the Company's delay in issuing the Shares or applying for or procuring the listing of the Shares on the Mainboard of the SGX-ST (or any other stock exchange on which the Shares are quoted or listed).



## **22. ABSTENTION FROM VOTING**

Shareholders who are eligible to participate in the PropNex RSP 2023 shall abstain from voting on any resolution relating to the PropNex RSP 2023.

## **23. CONDITION OF AWARD**

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

## **24. DATA PROTECTION**

24.1 By participating in the PropNex RSP 2023 and for so long as such participation continues, each Participant hereby voluntarily acknowledges, consents and agrees to the following:

- (a) Each of the Relevant Entities may collect, use disclose and/or process Personal Data relating to the Participant for purposes related to the Award and the PropNex RSP 2023, including:–
  - (i) to verify the identity of the Participant;
  - (ii) to administer and manage the Award and/or the PropNex RSP 2023;
  - (iii) to respond to, process and handle the Participant's complaints, queries, requests, feedback and/or suggestions;
  - (iv) to comply with any applicable laws, rules, regulations, codes of practice or guidelines;
  - (v) to assist in law enforcement and investigations by relevant authorities; and
  - (vi) any other purposes reasonably related to the aforesaid;
- (b) any Personal Data submitted to any of the Relevant Entities is complete, accurate, true and correct;
- (c) each of the Relevant Entities may disclose and/or transfer the Participant's Personal Data (including transfer to a territory outside of Singapore) to any of the following parties for the purposes set out in Rule 24.1(a) above:–
  - (i) any of the Relevant Entities, and their respective advisers and service providers (where applicable);
  - (ii) any competent legal and/or regulatory authority and law enforcement agencies as may be required under applicable law; and/or
  - (iii) the Company's successor-in-title, any seller or buyer (actual or prospective) of any part or the whole of the business of the Company, in connection with a merger, acquisition, disposal or sale of any part or the whole of the business of the Company;



- (d) where the Participant provides any of the Relevant Entities with Personal Data relating to a third party in connection with the Award and/or the PropNex RSP 2023, the Participant undertakes that he has obtained the prior consent of such third party for the collection, use, disclosure and/or processing of such information by each of the Relevant Entities for the purposes set out in Rule 24.1(a) above;
- (e) this Rule 24 supplements but does not supersede nor replace any other consent(s) the Participant may have previously provided to any of the Relevant Entities in respect of Personal Data, and the consents of the Participant herein are additional to any rights which any of the Relevant Entities may have under applicable law to collect, use, disclose and/or process Personal Data; and
- (f) the Participant hereby unconditionally and irrevocably undertakes to indemnify, defend and hold harmless each of the Relevant Entities from and against any and all penalties, liabilities, claims, demands, losses and damages which may be sustained, instituted, made or alleged against (including without limitation any claim or prospective claim in connection therewith), or suffered or incurred by any of the Relevant Entities, and which arise (whether directly or indirectly) out of or in connection with: (i) any act or omission by the Participant; (ii) any breach by the Participant of its representations, warranties, undertakings or obligations in this Rule 24; and/or (iii) any failure by the Participant to comply with any data protection or privacy laws of any applicable jurisdictions.

24.2 The Participant may, at any time, exercise his or her rights provided under the PDPA, including but not limited to the right to:

- (a) request access to the Personal Data about the Participant that is in the possession or under the control of the Company;
- (b) request information about the ways in which the Personal Data referred to in Rule 24.2(a) above has been or may have been used or disclosed by the Company within a year before the date of the request; and
- (c) request the correction of an error or omission in the Personal Data referred to in Rule 24.2(a) above.

The Participant may seek to exercise these rights by contacting the data protection officer of any of the specific Relevant Entities at the following email address: [dpo@propnex.com](mailto:dpo@propnex.com).

24.3 For the purposes of this Rule 24:

- (a) "**applicable law**" includes without limitation, for the avoidance of doubt, the PDPA, including any subsidiary legislation, regulations and any codes of practice, guidelines, frameworks or written directions issued thereunder, in each case as amended, consolidated, re-enacted or replaced from time to time; and
- (b) "**Relevant Entities**" means the Group and Associated Companies.

## 25. EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than a Participant or a Group Company shall have any right to enforce any provision of the PropNex RSP 2023 by virtue of the Contracts (Rights of Third Parties) Act 2001 of Singapore.

**26. DISPUTES**

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

**27. GOVERNING LAW**

The PropNex RSP 2023 shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the PropNex RSP 2023, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

## PROPnex LIMITED

(Company Registration No. 201801373N)  
(Incorporated in the Republic of Singapore)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meaning as in the circular to shareholders dated 4 April 2023 issued by PropNex Limited (“Circular”).*

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting (the “EGM”) of PropNex Limited (the “Company”) will be held at 480 Lorong 6 Toa Payoh, #18-01 HDB Hub, Singapore 310480 on Tuesday, 25 April 2023 at 10.30 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the following resolutions:

#### **ORDINARY RESOLUTION 1: PROPOSED BONUS ISSUE**

THAT:

- (1) the bonus issue of up to 370,000,000 new ordinary shares in the capital of the Company (“**Bonus Shares**”) on the basis of one (1) Bonus Share to be credited as fully paid for every one (1) existing ordinary share in the capital of the Company held by shareholders of the Company as at 5.00 p.m. on 2 May 2023 or such other time and date as may be determined by the Directors of the Company, be and is hereby approved (“**Bonus Issue**”); and
- (2) the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things and to negotiate, amend, sign, execute and deliver such documents as they or he may consider necessary, desirable or expedient to give effect to the Bonus Issue.

#### **ORDINARY RESOLUTION 2: PROPOSED ADOPTION OF THE PROPnex PSP 2023**

THAT:

- (1) The performance share plan to be known as the “PropNex PSP 2023” (“**PSP**”) the rules of which have been set out in the Circular, be and is hereby approved and adopted substantially in the form set out in the Rules of the PSP.
- (2) The Directors of the Company be and are hereby authorised:
  - (i) to establish and administer the PSP;
  - (ii) to modify and/or amend the PSP from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Plan and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the PSP;
  - (iii) to grant Awards in accordance with the provisions of the PSP, to allot and issue from time to time such number of fully paid-up Shares in the capital of the Company as may be required to be issued pursuant to the vesting of Awards provided that the aggregate number of Shares to be issued or issuable pursuant to the PSP and any other share-based incentive schemes of the Company shall not exceed five per cent (5%) of the issued Shares of the Company (excluding any Shares held in treasury and subsidiary holdings) from time to time;

- (iv) subject to the same being allowed by law, to apply any share purchased or acquired under any share purchase mandate and to deliver such existing Shares (including any Shares held in treasury) towards the satisfaction of Awards granted under the PSP;
- (v) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution; and
- (vi) to delegate any of the above to any committee of the Board of Directors.

**ORDINARY RESOLUTION 3: PROPOSED PARTICIPATION BY MOHAMED ISMAIL S/O ABDUL GAFOORE IN THE PROPNEX PSP 2023**

THAT subject to and contingent upon the passing of Ordinary Resolution 2, the participation of Mohamed Ismail S/O Abdul Gafoore, a Controlling Shareholder of the Company, in the PropNex PSP 2023 be and is hereby approved.

**ORDINARY RESOLUTION 4: PROPOSED ADOPTION OF THE PROPNEX RSP 2023**

THAT:

- (1) The performance share plan to be known as the “PropNex RSP 2023” (“**RSP**”) the rules of which have been set out in the Circular, be and is hereby approved and adopted substantially in the form set out in the Rules of the RSP.
- (2) The Directors of the Company be and are hereby authorised:
  - (i) to establish and administer the RSP;
  - (ii) to modify and/or amend the RSP from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Plan and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the RSP;
  - (iii) to grant Awards in accordance with the provisions of the RSP, to allot and issue from time to time such number of fully paid-up Shares in the capital of the Company as may be required to be issued pursuant to the vesting of Awards provided that the aggregate number of Shares to be issued or issuable pursuant to the RSP and any other share-based incentive schemes of the Company shall not exceed five per cent (5%) of the issued Shares of the Company (excluding any Shares held in treasury and subsidiary holdings) from time to time;
  - (iv) subject to the same being allowed by law, to apply any share purchased or acquired under any share purchase mandate and to deliver such existing Shares (including any Shares held in treasury) towards the satisfaction of Awards granted under the RSP;
  - (v) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution; and
  - (vi) to delegate any of the above to any committee of the Board of Directors.

**ORDINARY RESOLUTION 5: PROPOSED PARTICIPATION BY MOHAMED ISMAIL S/O ABDUL GAFOORE IN THE PROPNE X RSP 2023**

THAT subject to and contingent upon the passing of Ordinary Resolution 4, the participation of Mohamed Ismail S/O Abdul Gafoore, a Controlling Shareholder of the Company, in the PropNex RSP 2023 be and is hereby approved.

By Order of the Board

Mohamed Ismail S/O Abdul Gafoore  
Executive Chairman and CEO

4 April 2023

**Notes:**

1. This Extraordinary General Meeting (“**EGM**”) will be held in a wholly physical format pursuant to the Covid-19 (Temporary measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debentures Holders) Order 2020. **There will be no option for Shareholders to participate virtually.** Printed copies of this Notice of EGM will not be sent to members. Instead, this Notice of EGM will be sent to members by electronic means via publication on the Company’s website at the URL <https://investor.propnex.com/> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Arrangements relating to attendance at the EGM by shareholders, including CPF and SRS investors, submission of questions in advance of, or at, the EGM, addressing of substantial and relevant questions prior to, or at, the EGM, and voting at the EGM by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company’s announcement dated 4 April 2023. The announcement, Circular, Notice of EGM, proxy form and the Appendixes have been made available on the Company’s website at the URL <https://investor.propnex.com/> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting of the Company. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. “Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967 (“**Companies Act**”).
4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than two (2) proxies are appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
5. A proxy needs not be a member of the Company. A member can appoint the Chairman of the EGM as its/his/her proxy but this is not mandatory.
6. CPF and SRS investors (a) should approach their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; and (b) may appoint the Chairman of EGM as proxy to vote on their behalf at the EGM, in which case, they should approach their respective CPF Agent Banks/SRS Operators to submit their voting instructions by 5.00 p.m. on 13 April 2023.
7. The instrument appointing a proxy or proxies, duly executed, must be submitted in the following manner:
  - (a) if submitted by post, be lodged at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #11-02, Singapore 068898; or
  - (b) if submitted electronically, be submitted via email to the Company’s Share Registrar at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),in either case, no later than 10.30 a.m. on 22 April 2023 (being not less than seventy-two (72) hours before the time appointed for holding the EGM). Completion and return of the form of proxy by a member will not prevent him from attending, speaking and voting at the EGM if he/she so wishes. In such event, the relevant proxy form will be deemed to be revoked.

A member who wishes to submit an instrument appointing a proxy or proxies must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
8. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument.
9. A depositor’s name must appear in the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the EGM in order for the depositor to be entitled to attend, speak and vote at the EGM.

10. Members may submit questions related to the resolutions to be tabled for approval at the EGM or in advance of the EGM by email to the Company's investor relation at [investor\\_relations@propnex.com](mailto:investor_relations@propnex.com) by 5.00 p.m. on 13 April 2023.

The Company will endeavour to address all substantial and relevant questions submitted prior to the EGM by publishing the responses to such questions on the Company's website and on SGX website by 19 April 2023. Any subsequent clarifications sought, or follow-up questions, or substantial and relevant questions received after the cut-off date will be consolidated and addressed at the EGM.

11. The Circular, Notice of EGM, Appendixes and proxy form have been published on the Company's website at the URL <https://investor.propnex.com/> and SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of these documents **will not be** despatched to shareholders. The Company reserves the right to take such precautionary measures as may be appropriate at the EGM, including any precautionary measures as may be required or recommended by government agencies or the Singapore Exchange Regulation from time to time, at short notice. Shareholders are advised to check the Company's website or announcements released on SGXNet regularly for updates.

#### **Personal data privacy**

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

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**PROPnex LIMITED**  
Company Registration No. 201801373N  
(Incorporated in the Republic of Singapore)

**PROXY FORM**

**IMPORTANT**

1. The Extraordinary General Meeting (“EGM”) will be held in a wholly physical format pursuant to the Covid-19 (Temporary measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debentures Holders) Order 2020. **There will be no option for Shareholders to participate virtually.** Printed copies of this proxy form will not be sent to members. Instead, proxy form will be sent to members by electronic means via publication on the Company’s website at the URL <https://investor.propnex.com> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Arrangements relating to attendance at the EGM by shareholders, including CPF/SRS investors, submission of questions in advance of, or at, the EGM, addressing of substantial and relevant questions in advance of, or at, the EGM, and voting at the EGM by Shareholders, including CPF/SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company’s announcement dated 4 April 2023. The announcement may be accessed at the Company’s website at the URL <https://investor.propnex.com> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. This Proxy Form is not valid for use by investors who buy the Company’s shares using CPF or SRS monies and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM.
4. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).

\*I/We, \_\_\_\_\_ (Name and NRIC/Passport/Company Registration No.) \_\_\_\_\_

of \_\_\_\_\_

(Address) being a \*member/members of **PropNex Limited** (the “Company”), hereby appoint:

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

\* and/or

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

or failing \*him/them, the Chairman of the EGM, as \*my/our proxy to attend and vote for \*me/us on \*my/our behalf at the EGM to be held at 480 Lorong 6 Toa Payoh, #18-01, HDB Hub, Singapore 310480 on Tuesday, 25 April 2023 at 10.30 a.m. (Singapore Time) (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) and at any adjournment thereof. \*I/We direct \*my/our proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder. In the absence of specific directions as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion.

No.	Ordinary Resolutions	For <sup>#</sup>	Against <sup>#</sup>	Abstain <sup>#</sup>
1.	To approve the Bonus Issue			
2.	To adopt the PropNex Performance Share Plan 2023 (“PSP”)			
3.	To approve Proposed Participation by Mohamed Ismail S/O Abdul Gafuore in the PSP			
4.	To adopt the PropNex Restricted Share Plan 2023 (“RSP”)			
5.	To approve Proposed Participation by Mohamed Ismail S/O Abdul Gafuore in the RSP			

\* Delete whichever is inapplicable.

# Voting will be conducted by poll. If you wish to exercise all your votes “For” or “Against”, please indicate so with a “X” within the relevant box. Alternatively, please indicate the number of votes “For” or “Against” each resolution. If you wish your proxy or proxies to abstain from voting on a resolution, please indicate with “X” in the “Abstain” box for a particular resolution. Alternatively, please indicate the number of shares that your proxy or proxies is/are directed to abstain from voting in the “Abstain” box for a particular resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

**Total Number of Shares held (Note 1)**

\_\_\_\_\_  
Signature(s) of Member(s) or Common Seal

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



**Notes:**

1. Please insert the total number of shares in the share capital of the Company (“**Shares**”) held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. “Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967 (“**Companies Act**”).
3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument appointing a proxy or proxies. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry one hundred per cent (100%) of the shareholdings of its/his/her appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than two (2) proxies are appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.
5. A member can appoint the Chairman of the EGM as its/his/her proxy, but this is not mandatory.
6. A proxy needs not be a member of the Company.
7. The instrument appointing a proxy or proxies, duly executed, must be submitted in the following manner:
  - (a) if submitted by post, be lodged at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #11-02, Singapore 068898; or
  - (b) if submitted electronically, be submitted via email to the Company’s Share Registrar at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),

in either case, no later than 10.30 a.m. on 22 April 2023 (being not less than seventy-two (72) hours before the time appointed for holding the EGM).

A member who wishes to submit an instrument appointing a proxy or proxies must first complete and sign this proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

8. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the EGM if he/she so wishes. The appointment of a proxy or proxies shall be deemed to be revoked if the member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument appointing a proxy or proxies to the EGM.
9. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument.
10. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
11. For CPF/SRS investors, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors (a) should approach their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; and (b) may appoint the Chairman of EGM as proxy to vote on their behalf at the EGM, in which case, they should approach their respective CPF Agent Banks/SRS Operators to submit their voting instructions by 5.00 p.m. on 13 April 2023, being seven (7) working days before the EGM.
12. Members may submit questions related to the resolutions to be tabled for approval at the EGM or in advance of the EGM by email to the Company’s investor relation at [investor\\_relations@propnex.com](mailto:investor_relations@propnex.com) by 5.00 p.m. on 13 April 2023.

The Company will endeavour to address all substantial and relevant questions submitted prior to the EGM by publishing the responses to such questions on the Company’s website and on SGX website by 19 April 2023. Any subsequent clarifications sought, or follow-up questions, or substantial and relevant questions received after the cut-off date will be consolidated and addressed at the EGM.

**General:**

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

**Personal data privacy:**

By submitting an instrument appointing a proxy or proxies and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 4 April 2023.