

CIRCULAR DATED 15 APRIL 2021

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

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

If you have sold or transferred all your shares in the capital of Mencast Holdings Ltd. (the "**Company**"), you should immediately forward this Circular (as defined herein), the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser, transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

Mencast

PARTNER PERFECT

MENCAST HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company registration no.: 200802235C)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO:

- (1) THE PROPOSED ADOPTION OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021 ("PSAS 2021");**
- (2) THE PROPOSED PARTICIPATION OF MR. SIM SOON NGEEN GLENDLE, A CONTROLLING SHAREHOLDER, IN THE PSAS 2021; AND**
- (3) THE PROPOSED GRANT OF AN AWARD TO MR. SIM SOON NGEEN GLENDLE, A CONTROLLING SHAREHOLDER, UNDER THE PSAS 2021.**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	: 28 April 2021 at 12.30 p.m.
Date and time of Extraordinary General Meeting	: 30 April 2021 at 12.30 p.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day by electronic means)
Place of Extraordinary General Meeting	: The Extraordinary General Meeting will be held by electronic means (via "live" webcast and/or "live" audio only means)

CONTENTS

DEFINITIONS	1
LETTER TO SHAREHOLDERS	
1. INTRODUCTION	5
2. THE PROPOSED ADOPTION OF THE PSAS 2021	6
3. THE PROPOSED PARTICIPATION BY AND THE GRANT OF AWARD TO MR. SIM SOON NGEE GLENNLE, A CONTROLLING SHAREHOLDER, UNDER THE PSAS 2021	14
4. FINANCIAL EFFECTS OF THE PSAS 2021	15
5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	17
6. ABSENCES FROM VOTING	18
7. DIRECTORS' RECOMMENDATION	18
8. EXTRAORDINARY GENERAL MEETING	18
9. ACTION TO BE TAKEN BY SHAREHOLDERS	18
10. LEGAL ADVISERS	19
11. DIRECTORS' RESPONSIBILITY STATEMENT	19
12. DOCUMENTS AVAILABLE FOR INSPECTION	19
ANNEX A – RULES OF THE PSAS 2021	20
NOTICE OF EXTRAORDINARY GENERAL MEETING	35
PROXY FORM	

DEFINITIONS

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

- “Associate”* : (1) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (a) his/her spouse, child, adopted child, step-child, sibling and parent (his *“immediate family”*);
 - (b) 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
 - (c) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more.
- (2) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
- “Associated Company”* : A company in which at least 20% but no more than 50% of its shares are held by the Company or the Group.
- “Auditors”* : The auditors for the time being of the Company.
- “Award”* : A contingent award of Shares granted under the PSAS 2021.
- “Award Letter”* : A letter in such form as set out under the PSAS 2021, or in an alternative form otherwise approved by the Committee confirming an Award granted to a Participant by the Committee.
- “Board”* : The board of directors for the time being of the Company.
- “CDP”* : The Central Depository (Pte) Limited.
- “Circular”* : This circular to Shareholders dated 15 April 2021.
- “Committee”* : The Remuneration Committee of the Company, or such other committee comprising Directors duly authorised and appointed by the Board to administer the PSAS 2021 from time to time.
- “Companies Act”* : The Companies Act (Chapter 50) of Singapore, as may be amended or modified from time to time.
- “Company”* : Mencast Holdings Ltd., a company incorporated in Singapore.
- “Constitution”* : The memorandum of association and the articles of association of the Company as amended or modified from time to time.
- “Control”* : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.

DEFINITIONS

<i>"Controlling Shareholder"</i>	: A person who: (1) holds directly or indirectly 15% or more of the total voting rights in the Company (unless the SGX-ST determines otherwise); or (2) in fact exercises Control over the Company.
<i>"Date of Grant"</i>	: In relation to an Award, the date on which the Award is granted to a Participant.
<i>"Director"</i>	: A director of the Company.
<i>"EGM"</i>	: The Extraordinary General Meeting of the Company to be held on 30 April 2021 at 12.30 p.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day by electronic means), notice of which is set out on pages 35 – 38 of this Circular.
<i>"EPS"</i>	: Earnings per Share.
<i>"ESOS 2008"</i>	: The Mencast Employee Share Option Scheme adopted by the Company at an extraordinary general meeting held on 30 May 2008 which has since expired.
<i>"Group Employee"</i>	: Any person who is a full-time employee of the Company or any of its Subsidiaries (including a Group Executive Director).
<i>"Group Executive Director"</i>	: A director from time to time of the Company and/or any of its Subsidiaries, holding office in an executive capacity in the Company and/or such Subsidiary.
<i>"Group Non-Executive Director"</i>	: A director (other than a Group Executive Director) from time to time of the Company and/or any of its Subsidiaries, including an Independent Director.
<i>"Group"</i>	: The Company and its Subsidiaries.
<i>"Independent Directors"</i>	: Independent directors for the time being of the Company.
<i>"Latest Practicable Date"</i>	: 19 March 2021, being the latest practicable date prior to the printing of this Circular.
<i>"Listing Manual"</i>	: The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time.
<i>"Market Day"</i>	: A day on which the SGX-ST is open for trading of securities.
<i>"Market Price"</i>	: The average of the dealt price for a Share as determined by reference to the last dealt prices of the Shares for the 3 consecutive Market Days immediately preceding the date on which the Award shall be Vested.
<i>"New Shares"</i>	: The new Shares which may be allotted and issued from time to time pursuant to the Release of the Awards granted under the PSAS 2021.
<i>"NTA"</i>	: Net tangible assets.

DEFINITIONS

- "PSAS 2010"* : The Mencast Performance Share Award Scheme adopted by the Company at an extraordinary general meeting held on 10 November 2010 which has since expired.
- "PSAS 2021"* : The proposed Mencast Performance Share Award Scheme 2021, the terms of which are set out in **Annex A** to this Circular.
- "Participant"* : Any eligible person selected by the Committee to participate in the PSAS 2021 in accordance with the rules thereof.
- "Performance Condition"* : In relation to an Award, the condition specified on the Date of Grant in relation to that Award.
- "Performance Period"* : In relation to an Award, a period, the duration of which is to be determined by the Committee on the Date of Grant, during which the Performance Condition is to be satisfied.
- "Record Date"* : The date as at the close of business on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be).
- "Release"* : In relation to an Award, the release at the end of the Vesting Period relating to that Award of all or some of the Shares to which that Award relates and, to the extent that any Shares which are the subject of the Award are not released, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly.
- "Released Award"* : An Award in respect of which the Vesting Period relating to that Award has ended and which has been Released.
- "Remuneration Committee"* : The remuneration committee of the Company from time to time, as established by the Board pursuant to the Code of Corporate Governance.
- "Securities Accounts"* : The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent.
- "SFA"* : The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time.
- "SFRS(I) 2"* : Singapore Financial Reporting Standards (International) 2, Share-Based Payment.
- "SGX-ST"* : Singapore Exchange Securities Trading Limited.
- "Shareholders"* : Registered holders of Shares except that where the registered holder is CDP, the term *"Shareholders"* in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited.
- "Shares"* : Ordinary shares in the capital of the Company.
- "Subsidiary"* : A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Companies Act.

DEFINITIONS

- "Subsidiary Holdings"* : Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.
- "Substantial Shareholder"* : A person who has an interest or interests in voting Shares in the Company representing not less than 5.0% of all the voting Shares.
- "Vesting"* : In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and "Vest" and "Vested" shall be construed accordingly.
- "Vesting Date"* : In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested.
- "Vesting Period"* : In relation to an Award, a period or periods, the duration of which is to be determined by the Committee at the Date of Grant.
- "S\$" and "cents"* : Singapore dollars and cents respectively.
- "%"* : Percentage and per centum.

The terms *"Depositor"*, *"Depository"* and *"Depository Register"* shall have the meanings ascribed to them respectively in Section 81SF of the SFA or any statutory modification thereof, as the case may be. The term *"Treasury Shares"* shall have the meaning ascribed to it in Section 4 of the Companies 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 Companies Act, the SFA, Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, Listing Manual or any such statutory modification thereof, as the case may be, unless otherwise provided.

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

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

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

LETTER TO SHAREHOLDERS

Mencast

PARTNER PERFECT

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company registration no.: 200802235C)

Directors:

Sim Soon Ngee Glendle (Executive Chairman and Chief Executive Officer)

Wong Boon Huat (Executive Director)

Wong Fook Choy Sunny (Lead Independent Director)

Leow David Ivan (Independent Director)

Ng Chee Keong (Independent Director)

15 April 2021

To: The Shareholders of Mencast Holdings Ltd.

Dear Sir / Madam,

- (1) **THE PROPOSED ADOPTION OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021;**
- (2) **THE PROPOSED PARTICIPATION OF MR. SIM SOON NGEЕ GLENDLE, A CONTROLLING SHAREHOLDER, IN THE PSAS 2021; AND**
- (3) **THE PROPOSED GRANT OF AN AWARD TO MR. SIM SOON NGEЕ GLENDLE, A CONTROLLING SHAREHOLDER, UNDER THE PSAS 2021**

1. INTRODUCTION

1.1 Circular and EGM

The Directors are convening an EGM to be held on 30 April 2021 at 12.30 p.m. to seek the approval of the Shareholders in relation to:

- (a) the proposed adoption of the PSAS 2021;
- (b) the proposed participation of Mr. Sim Soon Ngee Glendle, a Controlling Shareholder, in the PSAS 2021; and
- (c) the proposed grant of an Award to Mr. Sim Soon Ngee Glendle, a Controlling Shareholder, under the PSAS 2021.

1.2 Listing of New Shares

The SGX-ST has, on 17 March 2021, granted in-principle approval for the listing and quotation for the New Shares to be allotted and issued pursuant to the Vesting of the Awards granted under the PSAS 2021, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements and guidelines; and
- (b) independent shareholders' approval for the proposed PSAS 2021 being obtained at the EGM.

Such in-principle approval by the SGX-ST, and the admission to, and the quotation of the New Shares on the Official List of SGX-ST is not to be taken as an indication of the merits of the proposed PSAS 2021, the New Shares, the Company and/or its Subsidiaries.

LETTER TO SHAREHOLDERS

2. THE PROPOSED ADOPTION OF THE PSAS 2021

2.1 Background

Previously, the Company had a performance share award scheme known as the Mecast Performance Share Award Scheme (hereinafter referred to as the “**PSAS 2010**”), and a share option scheme known as Mecast Employee Share Option Scheme (hereinafter referred to as the “**ESOS 2008**”).

The ESOS 2008 was adopted by the Company at an extraordinary general meeting held on 30 May 2008. The duration of the ESOS 2008 was 10 years commencing on 30 May 2008 and had accordingly expired on 29 May 2018 without being renewed or replaced.

The PSAS 2010 was adopted by the Company at an extraordinary general meeting held on 10 November 2010. The duration of the PSAS 2010 was 10 years commencing on 10 November 2010 and had accordingly expired on 09 November 2020 without being renewed or replaced.

Save for the ESOS 2008 and the PSAS 2010, the Company did not and currently does not have any employee share option scheme or share scheme in place.

2.1.1 ESOS 2010

Since the commencement of the ESOS 2008 till its expiry date, no option has been granted under the ESOS 2008.

2.1.2 PSAS 2010

As at the Latest Practicable Date:

- (i) there are no outstanding awards under the PSAS 2010;
- (ii) 19,974,414 Shares have been delivered upon vesting of awards granted under the PSAS 2010 since its commencement, representing approximately 4.53% of the issued Shares (excluding Treasury Shares and Subsidiary Holdings); and
- (iii) there have been 54 participants in the PSAS 2010 since its commencement.

Save for the prescribed performance-based conditions attached to the awards granted under the PSAS 2010, the awards granted thereunder are not subject to any material conditions.

Details of awards under the PSAS 2010 granted to Directors, Controlling Shareholders and Associates of Controlling Shareholders since its commencement are as follows:

Name	Date of Grant of Awards	Number of Shares granted under the Awards	Number of Shares Released pursuant to the Awards
Sim Soon Ngee Glendle	21 August 2018	566,800	566,800
	11 September 2020	2,173,900	2,173,900
Wong Boon Huat	21 August 2018	453,500	453,500
	10 June 2019	444,400	444,400
	11 September 2020	1,739,100	1,739,100

LETTER TO SHAREHOLDERS

Name	Date of Grant of Awards	Number of Shares granted under the Awards	Number of Shares Released pursuant to the Awards
Wong Fook Choy Sunny	22 June 2017	138,000	138,000
	21 August 2018	264,000	264,000
	10 June 2019	256,000	256,000
	19 October 2020	691,000	691,000
Leow David Ivan	22 June 2017	114,000	114,000
	21 August 2018	218,000	218,000
	10 June 2019	212,000	212,000
	19 October 2020	571,000	571,000
Ng Chee Keong	22 June 2017	118,000	118,000
	21 August 2018	226,000	226,000
	10 June 2019	219,000	219,000
	19 October 2020	591,000	591,000

In light of the expired PSAS 2010, the Board is proposing to implement a new performance share award scheme, which shall be named the Mencast Performance Share Award Scheme 2021 (the “**PSAS 2021**”). The new PSAS 2021, if approved and adopted by Shareholders at the EGM, will take effect from the date of its adoption at the EGM.

2.2 Rationale for adopting the PSAS 2021

The Company had previously approved and adopted the PSAS 2010 on 10 November 2010 which has expired on 09 November 2020. The Company has undertaken a review of employee remuneration and benefits and wishes to introduce a new compensation scheme to increase the Company’s flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance. The Directors believe that the PSAS 2021 will provide the Company with a more comprehensive set of remuneration tools and further strengthen its competitiveness in attracting and retaining superior local and foreign talent.

The PSAS 2021 allows the Company to provide an incentive for the Participants to achieve certain specific Performance Condition(s) by awarding fully paid Shares to the Participants after these targets have been met. The focus of the PSAS 2021 is principally to target employees and executives in key positions who are in the best position to drive the growth of the Group through innovation, creativity and superior performance.

The Board believes that the purposes of adopting the PSAS 2021 are to:

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

LETTER TO SHAREHOLDERS

2.3 Overview of the PSAS 2021

The PSAS 2021 is devised to incentivise and motivate Group Employees to achieve pre-determined targets which create and enhance economic value for Shareholders. Awards granted under the PSAS 2021 are performance-based and are contingent upon predetermined Performance Condition(s) being achieved. Such Performance Conditions are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. Examples of Performance Conditions to be set include targets based on criteria such as revenue growth, EPS and return on Shareholders' equity.

The Committee will be given the authority to determine the grant of Awards to Participants under the PSAS 2021. In considering an Award to be granted to a Participant, the Committee may take into account, *inter alia*, the financial performance of the Group, the Participant's rank, job performance, potential for future development and contribution to the success and development of the Group.

2.4 Summary of the principal rules of the PSAS 2021

The following is a summary of the principal rules of the PSAS 2021.

2.4.1 Eligibility

The PSAS 2021 allows for participation by Group Employees (which includes Group Executive Directors) and Group Non-Executive Directors who have attained the age of 21 years and above on or before the Date of Grant provided that none shall be an undischarged bankrupt, and who, in the absolute discretion of the Committee, will be eligible to participate in the PSAS 2021.

Controlling Shareholders and Associates of Controlling Shareholders who meet the above eligibility criteria will also be eligible to participate in the PSAS 2021 provided that (a) the participation of, and (b) the terms of each grant and the actual number of Awards granted to such Participant shall be approved by the independent Shareholders in separate resolutions for each such Participant, subject always to the following:

- (i) the aggregate of the number of Shares comprised in Awards granted to Controlling Shareholders and their Associates under the PSAS 2021 shall not exceed 25% of the total number of Awards which may be granted under the PSAS 2021; and
- (ii) the aggregate of the number of Shares in respect of Awards granted to each Controlling Shareholder or an Associate of that Controlling Shareholder shall not exceed 10% of the total number of Awards which may be granted under the PSAS 2021.

Directors and employees of Associated Companies, and directors and employees of the Company's parent company (if any) and the subsidiaries of the Company's parent company (if any) will not be entitled to participate in the PSAS 2021.

2.4.2 Grant of Awards

Awards represent the right of a Participant to receive fully paid Shares, their equivalent cash value or combinations thereof free of charge. The selection of a Participant and the number of Shares which are the subject of each Award to be granted shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as the financial performance of the Group, the Participant's rank, job performance, potential for future development, contribution to the success and development of the Group, and the extent of effort required to achieve the Performance Condition within the Performance Period.

The Committee may grant Awards at any time, except for the period of two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if required to announce quarterly financial statements), or one month before the announcement of the Company's half year and full year financial statements (if not required to announce quarterly financial statements). In addition, if an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, offers to grant Awards may only be made on or after the second Market Day on which such announcement is released.

LETTER TO SHAREHOLDERS

2.4.3 Details of Grant of Award

The Committee shall decide in its absolute discretion, in relation to each Award to be granted to a Participant:

- (i) the Date of Grant;
- (ii) the number of Shares which are the subject of the Award;
- (iii) the prescribed Vesting Period(s);
- (iv) the extent to which Shares which are the subject of that Award shall be Released at the end of each prescribed Vesting Period;
- (v) the Performance Period and the Performance Condition(s); and
- (vi) any other condition which the Committee may determine in relation to that Award.

The Committee may amend or waive the Vesting Period(s), the Performance Period and/or the Performance Condition in respect of any Award:

- (i) in the event of a general offer (whether conditional or unconditional) being made for all or any part of the Shares, or a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Companies Act, or a proposal to liquidate or sell all or substantially all the assets of the Company; or
- (ii) if anything happens which causes the Committee to conclude that an amended Performance Condition would be a fairer measure of performance (and would be no less difficult to satisfy), or the Performance Condition should be waived as the Participant has achieved a level of performance that the Committee considers satisfactory notwithstanding that the Performance Condition may not have been fulfilled,

and shall notify the Participants of such change or waiver (but accidental omission to give notice to any Participant(s) shall not invalidate any such change or waiver).

An Award Letter confirming the Award and specifying, *inter alia*, in relation to the Award, the prescribed Performance Condition(s) and the Performance Period during which the prescribed Performance Condition(s) are satisfied, will be sent to each Participant as soon as reasonably practicable after the making of an Award.

An Award or Released Award shall be personal to the Participant to whom it is granted and no Award or Released Award or any rights thereunder shall be transferred, charged, assigned, pledged, mortgaged, encumbered or otherwise disposed of, in whole or in part, and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award, that Award or Released Award shall immediately lapse.

2.4.4 Release of Awards

After the end of the relevant Performance Period, the Committee shall review the Performance Condition specified in respect of that Award and determine whether it has been satisfied and, if so, the extent to which it has been satisfied. In so determining, the Committee may take into account such factors as it deems relevant, including but not limited to the audited results of the Company or the Group. As mentioned in Section 2.4.3 of the Circular, the Committee may also amend the Performance Condition if the Committee decides that a changed performance target would be a fairer measure of performance.

If the Committee determines that the Performance Condition has been satisfied, upon the expiry of each Vesting Period in relation to an Award, the Company shall Release to the relevant Participant the Shares to which his Award relates on the Vesting Date if certain specific conditions are met, including (but not limited to):

- (i) the relevant Participant (being a Group Employee) having continued to be a Group Employee from the Date of Grant up to the end of the relevant Vesting Period;

LETTER TO SHAREHOLDERS

- (ii) the relevant Participant (being a Group Non-Executive Director) having continued to be a director of the Company and/or the relevant Subsidiary, as the case may be, up to the end of the relevant Vesting Period;
- (iii) the Committee being of the opinion that the job performance of the relevant Participant has been satisfactory; and
- (iv) such consents (including any approvals required by the SGX-ST) as may be necessary having been obtained; and

the Company shall within 10 Market Days after the Vesting Date, issue and allot the relevant Shares and dispatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of Treasury Shares, do such acts or things which are necessary for the transfer to be effective. Where New Shares are allotted, the Company shall apply to the SGX-ST for the listing and quotation of such Shares. In determining whether to issue New Shares or to transfer Shares to satisfy the Award, the Committee will have the right to take into account factors such as but not limited to the number of Shares to be Released, the prevailing market price of the Shares, the cost to the Company of either issuing New Shares or transferring Shares.

Alternatively, the Committee may determine to Vest an Award, wholly or partly, in the form of cash rather than Shares or Treasury Shares, in which event the Participant shall receive, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on the Release of the Award, the aggregate Market Price of such Shares. In determining whether to Release an Award, wholly or partly, in the form of cash rather than Shares, the Committee will take into account, *inter alia*, taxation issues arising from the issue of New Shares and/or purchase of existing Shares, the availability of cash for payment and the cost of funding the cash payment, if necessary.

If the Committee determines that the Performance Condition has not been satisfied or if the relevant Participant (being a Group Employee) has not continued to be a Group Employee from the Date of Grant up to the end of the relevant Performance Period, that Award shall lapse and be of no value.

2.4.5 Events prior to Vesting Date

An Award, to the extent not yet Released, shall become void and cease to have effect on the occurrence of any of the following events:

- (i) the termination of the employment of a Participant, being a Group Employee;
- (ii) the Participant, being a Group Non-Executive Director, ceasing to be a director of the Company or the relevant Subsidiary of the Company for any reason whatsoever;
- (iii) the bankruptcy of a Participant;
- (iv) the death of a Participant;
- (v) the breach by the Participant of any terms of his /her Award; or
- (vi) the misconduct of a Participant;

but the Committee may in its absolute discretion and on such terms and conditions as it deems fit, preserve all or any part of any Award notwithstanding the occurrence of the above events.

In addition, the Committee may consider, at its discretion, whether to Release an Award yet to be Released, if:

- (i) a general offer (whether conditional or unconditional) is made for all or any part of the Shares;
- (ii) a scheme of an arrangement or compromise between the Company and its Shareholders is sanctioned by the Court under the Companies Act; or

LETTER TO SHAREHOLDERS

- (iii) an order for the compulsory winding-up of the Company, or a resolution for a voluntary winding-up (other than for amalgamation or reconstruction) of the Company is made; and

in so considering, if the Committee decides to Release such Awards, the Committee will have regard to the proportion of the Vesting Period(s) which has elapsed and the extent to which the Performance Condition(s) has been satisfied.

2.4.6 Size and duration of the PSAS 2021

The aggregate number of New Shares available under the PSAS 2021, when added to all Shares, options or awards granted under any other share option scheme, share award scheme, or share incentive scheme adopted by the Company, including but not limited to the PSAS 2021, shall not exceed 15% of the total issued capital (excluding Treasury Shares and Subsidiary Holdings) of the Company on the day preceding the Date of Grant.

Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares which may be purchased from the market for delivery pursuant to Release of Awards will not be subject to any limit. Alternatively, the Company may make a Release of Awards in cash instead of Shares and Participants entitled to such Awards will receive in lieu of Shares, the aggregate market value of such Shares, in which case such method will not be subject to any limit as it does not involve the issue of any New Shares.

The PSAS 2021 shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date the PSAS 2021 is adopted by the Company in general meeting, provided always that the PSAS 2021 may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The termination of the PSAS 2021 shall not affect Awards which have been granted regardless of whether such Awards have been Released.

2.4.7 Ranking of Shares

New Shares allotted and issued and/or Treasury Shares transferred, upon the Release of an Award shall be subject to all the provisions of the Constitution of the Company, and rank for any dividend, right, allotment or other distribution on the Record Date of which is on or after the relevant Vesting Date and will rank *pari passu* in all respects with the Shares then existing.

2.4.8 Adjustment events

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

- (a) the 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 number of Shares in respect of which Awards may be granted under the PSAS 2021,

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate, provided that any such adjustment shall be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.

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

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

LETTER TO SHAREHOLDERS

2.4.9 Modifications or alterations to the PSAS 2021

The rules of the PSAS 2021 may be modified and/or altered from time to time by a resolution of the Committee, subject to compliance with the Listing Manual and such other regulatory authorities as may be necessary.

However, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of Participants who, if their Awards were Released to them, would thereby become entitled to not less than 75% of the aggregate value of all the Shares which would fall to be Vested upon the Release of all outstanding Awards upon the expiry of all the Vesting Periods applicable to all such outstanding Awards .

No modification or alteration shall be made to the rules of the PSAS 2021 to the advantage of Participants except with the prior approval of Shareholders in general meeting.

2.4.10 Disclosures in annual reports

The following disclosures (where applicable) will be made by the Company in its annual report for so long as the PSAS 2021 continues in operation:

- (i) the names of the members of the Committee;
- (ii) information as required in the table below for the following Participants:
 - (A) Directors;
 - (B) Controlling Shareholders and their Associates; and
 - (C) Participants (other than those in paragraphs (A) and (B) above) who receive Awards comprising Shares representing 5.0% or more of the aggregate of the total number of Shares available under the PSAS 2021;

Name of Participant	Awards granted during the financial year under review (including terms)	Aggregate Awards granted since commencement of the PSAS 2021 to end of the financial year under review	Aggregate Awards Vested since commencement of the PSAS 2021 to the end of financial year under review	Aggregate number of Shares under the Awards which have not been Released as at the end of the financial year under review
----------------------------	--------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------

- (iii) in relation to the PSAS 2021, the following particulars:
 - (A) the names of and number and terms of Awards granted to each director or employee of the Company's parent company and its subsidiaries (if any) who receive 5% or more of the total number of Awards available to all directors and employees of the parent company and its subsidiaries under the PSAS 2021, during the financial year under review;
 - (B) the aggregate number of Awards granted to the directors and employees of the Company's parent company and its subsidiaries (if any) for the financial year under review, and since the commencement of the PSAS 2021 to the end of the financial year under review; and
- (iv) any other information required to be disclosed pursuant to the Listing Manual and all other applicable laws and requirements.

If any of the disclosures above are not applicable, an appropriate negative statement will be included in the annual report.

LETTER TO SHAREHOLDERS

2.4.11 Administration of the PSAS 2021 by the Committee

The Committee responsible for the administration of the PSAS 2021 shall be the Remuneration Committee of the Company from time to time (or such other committee comprising Directors duly authorised and appointed by the Board) with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or held by him.

The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the PSAS 2021) for the implementation and administration of the PSAS 2021, to give effect to the provisions of the PSAS 2021 and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit.

2.5 **Details of the PSAS 2021**

The rules of the PSAS 2021 are set out in Annex A to this Circular.

2.6 **Rationale for participation by Group Non-Executive Directors in the PSAS 2021**

2.6.1 Participation by Group Non-Executive Directors

While the PSAS 2021 caters principally to Group Employees, it is recognised that there are other persons who make significant contributions to the Group through their close working relationships with the Group, even though they are not employed within the Group. Such persons include the Group Non-Executive Directors.

Group Non-Executive Directors are persons from different professions and working backgrounds, bringing to the Company their wealth of knowledge, business expertise and contacts in the business community. They play an important role in helping the Company shape its business strategy by allowing the Company to draw on the backgrounds and diverse working experience of these individuals. It is crucial for the Company to attract, retain and incentivise the Group Non-Executive Directors and align their interests with that of the Group.

The Board is of the view that including the Group Non-Executive Directors in the PSAS 2021 will show the Company's appreciation for, and further motivate them in their contribution towards the success of the Group. As their services and contributions cannot be measured in the same way as the Group Employees, for the purpose of assessing the contributions of the Group Non-Executive Directors, the Committee will propose a performance framework comprising mainly non-financial performance measurement criteria such as the extent of involvement and responsibilities shouldered by the Group Non-Executive Directors. In addition, the Committee will also consider the scope of advice given, the number of contacts and size of deals which the Company is able to procure from the contacts and recommendations of the Group Non-Executive Directors. The Committee may also decide that no Awards shall be made in any financial year or no grant and/or Award may be made at all.

2.6.2 Independent status of Independent Directors

The Board is of the view that the independence of the Independent Directors will not be compromised because of their participation in the PSAS 2021. Any grant of an Award will be measured and balanced against considerations if such Award, when combined with other forms of remuneration received by the Independent Directors, could interfere or reasonably be perceived to interfere with the exercise of independent judgment of that Independent Director. Furthermore, Independent Directors will abstain from making any recommendation as a Director and abstain from voting as a member of the Company when the grant of Awards to that director is being considered. Given the above, the Board is of the view that the PSAS 2021 will not compromise the objectivity and independence of the Independent Directors. In addition, the Board takes the view that allowing the participation of the Independent Directors will allow the Company to recognise the contributions of the Independent Directors who have contributed to the success and development of the Group.

LETTER TO SHAREHOLDERS

3. THE PROPOSED PARTICIPATION BY AND THE GRANT OF AWARD TO MR. SIM SOON NGENE GLENDLE, A CONTROLLING SHAREHOLDER, UNDER THE PSAS 2021

3.1 General rationale for participation of Controlling Shareholders and Associates of Controlling Shareholders in the PSAS 2021

A key objective of the PSAS 2021 is to motivate its Participants to strive towards performance excellence and to maintain a high level of contribution whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with multinational companies.

To this end, key executives who are the 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 equally 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 PSAS 2021 to include them ensures that they are equally 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 employees 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 PSAS 2021 do not differentiate between the Controlling Shareholders and their Associates from other key executives in determining the eligibility of such persons to be granted Award(s). As such, Controlling Shareholders and their Associates should not be excluded from participating in the PSAS 2021 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 demotivate them and undermine the objectives of the PSAS 2021.

3.2 The proposed participation of Mr. Sim Soon Ngee Glendle, a Controlling Shareholder, in the PSAS 2021

Mr. Sim Soon Ngee Glendle is the Executive Chairman and Chief Executive Officer of the Company. He has been with the Group for over twenty (20) years and his ability to anticipate the needs of the Group's customers has enabled the Group to offer suitable types and ranges of products and services to the Group's customers on a timely basis. As he is instrumental in putting forth and implementing the Group's policies on business growth and engaging in high level collaboration with potential business partners on matters of business development and overseas expansion, his continuing contribution will be crucial for the continued success of the Group.

Participation in the PSAS 2021 would enable the Company to acknowledge Mr. Sim Soon Ngee Glendle's valuable contribution and give recognition to his services. By investing further in the equity interests of the Company through the PSAS 2021, Mr. Sim Soon Ngee Glendle will be incentivised to help the Group achieve better performance, thus enhancing Shareholders' value.

The Company recognises that Mr. Sim Soon Ngee Glendle will continue to play an integral role in driving the strategic development and success of the Group and therefore wishes to allow Mr. Sim Soon Ngee Glendle to participate in the PSAS 2021.

As at Latest Practicable Date, Mr. Sim Soon Ngee Glendle holds 85,741,800 Shares, representing approximately 19.44% of the total number of issued Shares. In addition, he is deemed interested in the 41,716,800 Shares held by his mother, Chua Kim Choo, and the 21,686,000 Shares held by his brother, Sim Soon Ying, representing approximately 14.37% of the total number of issued Shares in aggregate

Subject to the Shareholders' approval at the EGM for the adoption of the PSAS 2021 and for Mr. Sim Soon Ngee Glendle's participation in the PSAS 2021, in the event that the Company decides to grant Awards under the PSAS 2021 to Mr. Sim Soon Ngee Glendle, it will make a full disclosure of the rationale and justification for, and the terms of, such grant of Awards to its independent Shareholders and also seek the approval of its independent Shareholders at a general meeting.

LETTER TO SHAREHOLDERS

3.3 The proposed grant of an Award to Mr. Sim Soon Ngee Glendle, a Controlling Shareholder, under the PSAS 2021

For the reasons set out above in Section 3.2, to reward Mr. Sim Soon Ngee Glendle for his past and present contributions and to provide additional incentives for him to continue to contribute to the future performance of the Group, subject to the approval by independent Shareholders of ordinary resolutions 1 and 2 at the EGM, the Company proposes to grant the following Award to Mr. Sim Soon Ngee Glendle on the following terms:

Date of Grant : Any time within five (5) Market Days from the date of the EGM

Number of Shares which are the subject of the Award : 1,250,000*

*The no. of shares to be awarded is determined based on the market price per share of S\$0.040 as at the Latest Practicable Date. The actual no. of shares to be awarded to Mr. Sim Soon Ngee Glendle will be determined by reference to the Volume Weighted Average Price of a share in the Company on the SGX-ST over the 5 Market Days immediately after the EGM at a value of up to S\$50,000. An announcement will be made on the actual no. of shares to be awarded to Mr. Sim Soon Ngee Glendle via the SGXNet in due course.

Vesting period of the Award : Automatically Vests on the Date of Grant (to be Released within 14 days from the Date of Grant) or such other date as may be determined by the Committee

An announcement will be made by the Company on the SGXNET upon the grant of above Award. The aggregate number of Shares to be issued under the Award has been determined after taking into account, among others, Mr. Sim Soon Ngee Glendle's rank, job performance, leadership and management capabilities, contribution to the success and development of the Group, and the extent of effort and resourcefulness required to achieve the Performance Conditions within the Performance Period.

Under Rule 845 of the Listing Manual, the aggregate number of New Shares which may be issued under the PSAS 2021, when added to all Shares, options or awards granted under any other share option scheme, share award scheme, or share incentive scheme adopted by the Company, including but not limited to the PSAS 2021, shall not exceed 15% of the total issued capital (excluding Treasury Shares and Subsidiary Holdings) of the Company on the day preceding the Date of Grant.

Further, the aggregate of the number of Shares comprised in Awards granted to Controlling Shareholders and their Associates under the PSAS 2021 shall not exceed 25% of the total number of Awards which may be granted under the PSAS 2021, and the aggregate of the number of Shares in respect of Awards granted to each Controlling Shareholder or an Associate of that Controlling Shareholder shall not exceed 10% of the total number of Awards which may be granted under the PSAS 2021.

4. FINANCIAL EFFECTS OF THE PSAS 2021

4.1 Share Capital

The PSAS 2021 will result in an increase in the Company's issued share capital when New Shares are issued to Participants pursuant to the grant of the Awards. This will in turn depend on, *inter alia*, the number of Shares comprised in the Awards to be issued. In any case, the PSAS 2021 provides that the aggregate number of New Shares available under the PSAS 2021, when added to all Shares, options or awards granted under any other share option scheme, share award scheme, or share incentive scheme adopted by the Company, including but not limited to the PSAS 2021, shall not exceed 15% of the total issued capital (excluding Treasury Shares and Subsidiary Holdings) of the Company on the day preceding the Date of Grant.

If instead of issuing New Shares to Participants, Treasury Shares are transferred to Participants or the Company pays the equivalent cash value, the PSAS 2021 would have no impact on the Company's total number of issued Shares.

LETTER TO SHAREHOLDERS

4.2 NTA

The PSAS 2021 will result in a charge to the Company's income statement equal to the fair value of the Awards over the period from the Date of Grant to the Vesting Date. In addition, the PSAS 2021 will have no impact to the consolidated NTA of the Company if New Shares are issued under the PSAS 2021. However, if instead of issuing New Shares to Participants, existing Shares are purchased for Release to Participants, or the Company pays the equivalent cash value, the NTA of the Company would be impacted by the cost of the Shares purchased or the cash payment, respectively.

Although the PSAS 2021 will result in a charge to the income statements of the Company and the Group, it should be noted that Awards are granted only on a selective basis and will be granted to Participants whom the Company believes would have contributed or will contribute to its success including financial performance. In particular, the grant of Awards and Release of Shares to Participants of the PSAS 2021 are contingent upon the Participants meeting prescribed Performance Condition(s). Therefore, Participants would have contributed to or will contribute to value add to the Company and the Group as determined by the Committee before the Awards are granted and Shares Released.

4.3 EPS

Awards granted under the 2020 PSAS will result in a charge to earnings equivalent to the fair value of the Awards at the Date of Grant of the Award over the period commencing from the Date of Grant to the Vesting Date. Although the grant of Awards will have a dilutive impact on the consolidated EPS of the Company, the Release of Shares to Participants in respect of Awards granted under the PSAS 2021 is contingent upon the Participants meeting prescribed Performance Condition(s) and/or service conditions, which will take into consideration the contributions of the Participants towards the financial performance of the Group.

4.4 Potential cost of Awards

SFRS(I) 2 relating to share-based payments takes effect for all listed companies beginning 1 January 2018. The PSAS 2021 is considered a share-based payment that falls under the scope of SFRS(I) 2. The Awards, if settled by way of issue of New Shares or the purchase of Treasury Shares, would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to the Company's consolidated income statement over the period between the Date of Grant and the Vesting Date of an Award. The total amount of the charge over the Vesting Period is determined by reference to the fair value of each Award granted at the Date of Grant and the number of Shares Vested at the Vesting Date, with a corresponding credit to reserve account. The amount of the charge to the income statement also depends on whether the Performance Condition attached to an Award is a market condition, that is, a condition which is related to the market price of the Shares.

At each reporting date, the number of Awards that are expected to be Vested are estimated. The impact on the revision of original estimates is recognised as an expense in the income statement and as a corresponding adjustment to the reserve account over the remaining Performance Period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. No expense is recognised for Awards that do not ultimately Vest, except for Awards where Vesting is conditional upon a market condition, which are treated as Vested irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

After the Vesting Date, no adjustment to the charge to the income statement is made. In the event that the Participants have the right to receive the aggregate Market Price of the Shares in cash in lieu of the allotment or transfer of Shares, the Company shall measure the fair value of the liability as a cash-settled share-based payment transaction. Until the liability is settled, the Company shall re-measure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in the income statement.

LETTER TO SHAREHOLDERS

4.5 Taxes, Costs and Expenses

Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment of any Shares or transfer of Treasury Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's Securities Account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

The Participants shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or Vesting of the relevant Award. All taxes (including income tax) arising from the grant or Vesting of any Award under the Scheme shall be borne by that Participant. The Company shall not be responsible for any failure by the Participant to obtain any such consent or for any tax or other liability to which the Participant may become subject as a result of his participation in the Scheme.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders, respectively, as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors						
Sim Soon Ngee Glendle	85,741,800	19.44	63,402,800	14.37	149,144,600	33.81
Wong Boon Huat	30,642,306	6.95	-	-	30,642,306	6.95
Wong Fook Choy Sunny	1,499,000	0.34	-	-	1,499,000	0.34
Leow David Ivan	7,127,000	1.62	-	-	7,127,000	1.62
Ng Chee Keong	1,154,000	0.26	-	-	1,154,000	0.26
Substantial Shareholders						
Sim Soon Ngee Glendle ⁽²⁾	85,741,800	19.44	63,402,800	14.37	149,144,600	33.81
Chua Kim Choo ⁽²⁾	41,716,800	9.46	107,427,800	24.35	149,144,600	33.81
Sim Soon Ying ⁽²⁾	21,686,000	4.91	127,458,600	28.90	149,144,600	33.81
Wong Swee Chun ⁽³⁾	49,909,050	11.31	1,509,900	0.34	51,418,950	11.65
Gay Chee Cheong ⁽⁴⁾	11,358,000	2.57	21,175,000	4.80	32,533,000	7.37
Chua Siok Lan ⁽⁴⁾	21,000,000	4.76	11,533,000	2.61	32,533,000	7.37
Ni Weiming ⁽⁴⁾	175,000	0.04	32,358,000	7.33	32,533,000	7.37
Wong Boon Huat ⁽⁵⁾	30,642,306	6.95	-	-	30,642,306	6.95

Notes:

(1) Based on 441,135,524 ordinary Shares (excluding Treasury Shares and Subsidiary Holdings) as at the Latest Practicable Date.

(2) The following shares are registered under Sim Soon Ngee Glendle:

- (a) 64,600,000 shares in Citibank Nominees Singapore Pte Ltd; and
- (b) 18,967,900 shares in DBS Nominees (Private) Limited.

Sim Soon Ngee Glendle is deemed interested in the shares of Chua Kim Choo and Sim Soon Ying. Sim Soon Ngee Glendle is the son of Chua Kim Choo and the brother of Sim Soon Ying. Each is deemed to have an interest in the shares held by each other.

(3) Wong Swee Chun is deemed interested in the shares of S C Wong Holdings Pte. Ltd.

(4) Gay Chee Cheong is deemed interested in the shares of Chua Siok Lan and Ni Weiming. Gay Chee Cheong is the husband of Chua Siok Lan and father of Ni Weiming. Each is deemed to have an interest in the shares held by each other.

(5) 28,005,306 shares registered in the name of Citibank Nominees Singapore Pte Ltd.

Save as disclosed above, none of the Directors and Substantial Shareholders of the Company have any interests, direct or indirect, in the proposed resolutions, (other than in his capacity as Director or Shareholder of the Company).

LETTER TO SHAREHOLDERS

6. ABSTENTIONS FROM VOTING

Shareholders who are entitled to participate in the proposed PSAS 2021 shall abstain from voting at the EGM in respect of any Shareholders' resolution relating to the PSAS 2021, including (but not limited to) resolutions approving (a) the proposed adoption and implementation of the PSAS 2021, and (b) the participation by the Controlling Shareholders and their Associates in the PSAS 2021 where applicable, other than a resolution relating to the participation of, or grant of Awards to, directors and employees of the Company's parent company and its subsidiaries.

Accordingly, Group Employees (including Group Executive Directors) and Group Non-Executive Directors, who are eligible to participate in the PSAS 2021 and are also Shareholders, shall abstain from voting at the EGM in relation to the ordinary resolutions 1 to 3 as set out in the Notice of EGM. They shall also decline to accept appointment as proxies for any Shareholder to vote in respect of each of the aforesaid resolutions, unless specific instructions have been given in the proxy instrument by the Shareholder appointing them on how they wish their votes are to be cast for each of such resolutions.

In addition, the participation of, and the terms of each grant and the actual number of Awards granted under the proposed PSAS 2021 to Controlling Shareholders and their Associates must be approved by independent Shareholders of the Company. Accordingly, Mr. Sim Soon Ngee Glenndle and his Associate(s) shall also abstain from voting at the EGM in respect of the ordinary resolutions 1 to 3 as set out in the Notice of EGM. They shall also decline to accept appointment as proxies for any Shareholder to vote in respect of each of the aforesaid resolutions, unless specific instructions have been given in the proxy instrument by the Shareholder appointing them on how they wish their votes are to be cast for each of such resolutions.

The Company will disregard any votes cast on a resolution by those persons required to abstain from voting.

7. DIRECTORS' RECOMMENDATION

Subject to the independent shareholders' approval sought at the EGM, all Directors will be eligible to participate in and are therefore interested in the proposed adoption of the PSAS 2021. Accordingly, the Directors have abstained from making any recommendation on how the independent shareholders should vote in respect of each ordinary resolution to be proposed at the EGM.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 35 to 38 of this Circular, will be held on Friday, 30 April 2021 at 12.30 p.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day) by electronic means for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolutions as set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1 No attendance at the EGM in person

Due to the current regulatory advisories and restrictions in respect of the COVID-19 outbreak in Singapore, Shareholders will **not** be able to attend the EGM in person.

9.2 Alternative arrangements

Alternative arrangements have been put in place to allow Shareholders to contemporaneously observe the EGM proceedings via (a) watching a "live" audio-visual webcast or listening to a "live" audio-only stream, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy at the EGM.

Shareholders should refer to the Notice of EGM as set out in pages 35 to 38 of this Circular, for further information, including the steps to be taken by Shareholders to participate at the EGM.

LETTER TO SHAREHOLDERS

10. LEGAL ADVISERS

Shook Lin & Bok LLP has been appointed as the legal adviser to the Company in relation to the proposed adoption of the PSAS 2021, the proposed participation by and the grant of an Award to Mr. Sim Soon Ngee Glendle as a Controlling Shareholder under the PSAS 2021, and this Circular.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed adoption of the PSAS 2021, the proposed participation by and the grant of the Award to Mr. Sim Soon Ngee Glendle as a Controlling Shareholder under the PSAS 2021, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 42E Penjuru Road, Mencast Central, Singapore 609161, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (i) the proposed rules of the PSAS 2021.

Yours faithfully
For and on behalf of the Board of Directors of
Mencast Holdings Ltd.

Sim Soon Ngee Glendle
Executive Chairman and Chief Executive Officer

ANNEX A – RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

1. NAME OF THE SCHEME

This Scheme (as defined below) shall be called the “**Mencast Performance Share Award Scheme 2021**”.

2. DEFINITIONS

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

- “Adoption Date” : The date on which the Scheme is adopted by resolution of the Shareholders of the Company
- “Associate” : (i) In relation to a Controlling Shareholder (being an individual), means:
- (a) his/her spouse, child, adopted child, step-child, sibling and parent (his “*immediate family*”);
 - (b) the trustees of any trust of which he/she or his/her immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (c) any company in which he/she and his/her immediate family together (directly or indirectly) have an interest of 30% or more;
- (ii) in relation to a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Associated Company” : A company in which at least 20% but no more than 50% of its shares are held by the Company or the Group
- “Auditors” : The auditors for the time being of the Company
- “Award” : A contingent award of Shares granted under Rule 5
- “Award Letter” : A letter in the form set out in Appendix A, or in an alternative form otherwise approved by the Committee confirming an Award granted to a Participant by the Committee
- “Board” : The board of Directors for the time being of the Company
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : The Remuneration Committee of the Company, or such other committee comprising Directors duly authorised and appointed by the Board to administer the Scheme from time to time
- “Companies Act” : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
- “Company” : Mencast Holdings Ltd., a company incorporated in Singapore

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

“Constitution”	: The memorandum of association and the articles of association of the Company as amended or modified from time to time
“Control”	: The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	: A person who: (a) holds directly or indirectly 15% or more of the total voting rights in the Company (unless the SGX-ST determines otherwise); or (b) in fact exercises Control over the Company.
“Date of Grant”	: In relation to an Award, the date on which the Award is granted to a Participant
“Director”	: A director for the time being of the Company
“Group Employee”	: Any person who is a full-time employee of the Company or any of its Subsidiaries (including a Group Executive Director)
“Group Executive Director”	: A director from time to time of the Company and/or any of its Subsidiaries, holding office in an executive capacity in the Company and/or such Subsidiary
“Group Non-Executive Director”	: A director (other than a Group Executive Director) from time to time of the Company and/or any of its Subsidiaries, including an Independent Director
“Group”	: The Company and its Subsidiaries
“Independent Directors”	: Independent directors for the time being of the Company
“Listing Manual”	: The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time.
“Market Day”	: A day on which the SGX-ST is open for trading of securities
“Market Price”	: The average of the dealt price for a Share as determined by reference to the last dealt prices of the Shares for the 3 consecutive Market Days immediately preceding the date on which the Award shall be Vested
“New Shares”	: The new Shares which may be allotted and issued from time to time pursuant to the Release of Awards granted under the Scheme
“Participant”	: Any eligible person selected by the Committee to participate in the Scheme in accordance with the rules thereof
“Performance Condition”	: In relation to an Award, the condition specified on the Date of Grant in relation to that Award
“Performance Period”	: In relation to an Award, a period, the duration of which is to be determined by the Committee on the Date of Grant, during which the Performance Condition is to be satisfied
“Record Date”	: 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)

ANNEX A – RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

- “Release” : In relation to an Award, the release at the end of the Vesting Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and “Released” shall be construed accordingly
- “Released Award” : An Award in respect of which the Vesting Period relating to that Award has ended and which has been Released in accordance with Rule 7
- “Remuneration Committee” : The remuneration committee of the Company from time to time, as established by the Board pursuant to the Code of Corporate Governance.
- “Rules” : Rules of the Scheme and any reference to a particular Rule shall be construed accordingly
- “Scheme” : This Mencast Performance Share Award Scheme 2021, as the same may be modified or altered from time to time
- “SFA” : The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
- “SGX-ST” : Singapore Exchange Securities Trading Limited
- “Shares” : Ordinary shares in the capital of the Company
- “Shareholders” : Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose securities accounts such Shares are credited.
- “Subsidiary” : A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Companies Act
- “Subsidiary Holdings” : Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
- “Vesting” : In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly
- “Vesting Date” : In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7
- “Vesting Period” : In relation to an Award, a period or periods, the duration of which is to be determined by the Committee at the Date of Grant
- “S\$” : Singapore dollars
- “%” or “per cent.” : Per centum or percentage

- 2.2 The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them, respectively, in Section 81SF of the SFA or any statutory modification thereof, as the case may be. The term “Treasury Shares” shall have the meaning ascribed to it in Section 4 of the Companies Act.

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

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

3. OBJECTIVES OF THE SCHEME

- 3.1 The Scheme is a performance incentive scheme which will form an integral part of the Group's incentive compensation program.
- 3.2 The objectives of the Scheme are as follows:
- (a) provide an opportunity for Participants to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organisational commitment, dedication and loyalty of Participants towards the Group;
 - (b) motivate Participants to strive towards performance excellence and to maintain a high level of contribution to the Group;
 - (c) give recognition to contributions made or to be made by Participants by introducing a variable component into their remuneration package; and
 - (d) make employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long-term growth and profitability of the Group.

4. ELIGIBILITY OF PARTICIPANTS

- 4.1 Any person shall be eligible to participate in the Scheme at the absolute discretion of the Committee if at the Date of Grant:
- (a) he shall be:
 - (i) a Group Employee; or
 - (ii) a Group Non-Executive Director;
 - (b) he shall have attained the age of twenty-one (21) years; and
 - (c) he shall not be an undischarged bankrupt.
- 4.2 PROVIDED ALWAYS THAT if any such person listed in Rule 4.1 is a Controlling Shareholder or an Associate of a Controlling Shareholder, his participation in the Scheme and the grant of Awards to whom, including the actual number and terms thereof, shall be subject to prior approval by independent Shareholders in general meeting in separate resolutions for each Controlling Shareholder or Associate of a Controlling Shareholder. For the purposes of obtaining such approval of the independent Shareholders, the Committee shall procure that the circular, letter or notice to the Shareholders in connection therewith shall set out the following:
- (a) clear justifications for the participation of such Controlling Shareholders or Associates of Controlling Shareholders; and
 - (b) clear rationale for the terms of the Award to be granted to such Controlling Shareholders or Associates of Controlling Shareholder.

ANNEX A – RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

- 4.3 The following persons are not entitled to participate in the Scheme:
- (a) directors and employees of Associated Companies; and
 - (b) directors and employees of the Company's parent company (if any) and the subsidiaries (if any) of the Company's parent company.

5. GRANT OF AWARDS

- 5.1 The eligibility of Participants to participate in the Scheme, and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Scheme shall be determined at the absolute discretion of the Committee, which shall take into account,
- (a) the financial performance of the Group;
 - (b) in respect of a Participant being a Group Employee (which includes a Group Executive Director), criteria such as his rank, job performance, potential for future development and his contribution to the success and development of the Group;
 - (c) in respect of a Participant being a Group Non-Executive Director, criteria such as his contribution to the success and development of the Group; and
 - (d) the extent of effort required to achieve the Performance Condition within the Performance Period.
- 5.2 Subject as provided in Rules 5.4 and 8, the Committee may grant Awards to Participants as the Committee may select in its absolute discretion, at any time during the period when the Scheme is in force, except for:
- (a) the period of two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if required to announce quarterly financial statements); or
 - (b) the period of one month before the announcement of the Company's half year and full year financial statements (if not required to announce quarterly financial statements); and
 - (c) in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, whereupon offers to grant Awards may only be made on or after the second Market Day on which such announcement is released.
- 5.3 The Committee shall decide, in its absolute discretion, in relation to each Award;
- (a) the Participant;
 - (b) the Date of Grant;
 - (c) the number of Shares which are the subject of the Award;
 - (d) the prescribed Vesting Period(s);
 - (e) the extent to which Shares which are the subject of that Award shall be Released at the end of each prescribed Vesting Period;
 - (f) the Performance Period and the Performance Condition(s); and
 - (g) any other condition which the Committee may determine in relation to that Award.

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

- 5.4 The actual number of Awards granted under the Scheme to a Participant who is a Controlling Shareholder or an Associate of a Controlling Shareholder shall be approved by the independent Shareholders in a separate resolution for each such person subject to the following:
- (a) the aggregate of the number of Shares comprised in Awards granted to Controlling Shareholders and their Associates under the Scheme shall not exceed 25% of the total number of Awards which may be granted under the Scheme; and
 - (b) the aggregate of the number of Shares comprised in Awards granted to each Controlling Shareholder or an Associate of that Controlling Shareholder shall not exceed 10% of the total number of Awards which may be granted under the Scheme,

PROVIDED FURTHER that any grant of an Award to Group Non-Executive Directors will be subject to and shall comply with the provisions of section 76 of the Companies Act.

- 5.5 The Committee may amend or waive the Vesting Period(s), the Performance Period and/or the Performance Condition in respect of any Award:
- (a) in the event of a general offer (whether conditional or unconditional) being made for all or any part of the Shares, or a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Companies Act, or a proposal to liquidate or sell all or substantially all of the assets of the Company; or
 - (b) if anything happens which causes the Committee to conclude that:
 - (i) an amended Performance Condition would be a fairer measure of performance, and would be no less difficult to satisfy; or
 - (ii) the Performance Condition should be waived as the Participant has achieved a level of performance that the Committee considers satisfactory notwithstanding that the Performance Condition may not have been fulfilled,

and shall notify the Participants of such change or waiver (but accidental omission to give notice to any Participant(s) shall not invalidate any such change or waiver).

- 5.6 As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:
- (a) the Date of Grant;
 - (b) the number of Shares which are the subject of the Award;
 - (c) the prescribed Vesting Period(s);
 - (d) the extent to which Shares which are the subject of that Award shall be Released at the end of each prescribed Vesting Period;
 - (e) the Performance Period and the Performance Condition(s); and
 - (f) any other condition which the Committee may determine in relation to that Award.

5.7 Participants are not required to pay for the grant of Awards.

5.8 An Award or Released Award shall be personal to the Participant to whom it is granted and no Award or Released Award or any rights thereunder shall be transferred, charged, assigned, pledged, mortgaged, encumbered or otherwise disposed of, in whole or in part, and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award, that Award or Released Award shall immediately lapse.

ANNEX A – RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

6. EVENTS PRIOR TO THE VESTING DATE

- 6.1 An Award, to the extent not yet Released, shall forthwith become void and cease to have effect on the occurrence of any of the following events (and in such an event, the Participant shall have no claim whatsoever against the Company, its Directors or employees):
- (a) a Participant, being a Group Employee, ceasing for any reason whatsoever, to be in the employment of the Company and/or the relevant Subsidiary or in the event the company by which the Group Employee is employed ceases to be a company in the Group;
 - (b) a Participant, being a Group Non-Executive Director, ceasing to be a director of the Company and/or the relevant Subsidiary, as the case may be, for any reason whatsoever;
 - (c) upon the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of or interest in such Award;
 - (d) death of a Participant;
 - (e) a Participant commits any breach of any of the terms of his Award; and/or
 - (f) misconduct on the part of a Participant as determined by the Company in its sole and absolute discretion.

For the purpose of Rule 6.1(a) above, a Group Employee shall be deemed to have ceased to be in the employment of the Company or the Subsidiary (as the case may be) on the date on which he gives notice of termination of employment, unless prior to the date on which termination takes effect, such Group Employee has (with the consent of the Company or the Subsidiary (as the case may be) withdrawn such notice.

For the purpose of Rule 6.1(b) above, a Participant shall be deemed to have ceased to be a Group Non-Executive Director as of the date the notice of resignation of or termination of directorship, as the case may be, is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- 6.2 The Committee may in its absolute discretion and on such terms and conditions as it deems fit, preserve all or any part of any Award notwithstanding the provisions of any other Rules including Rules 6.1 and 7.1 Further to such exercise of discretion, the Awards shall be deemed not to have become void nor cease to have effect in accordance with the relevant provisions in Rule 6.1.
- 6.3 Without prejudice to the provisions of Rules 5.5 and 7.1, to the extent of an Award yet to be Released, if any of the following occurs:
- (a) a general offer (whether conditional or unconditional) being made for all or any part of the Shares;
 - (b) a scheme of an arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Companies Act;
 - (c) an order for the compulsory winding-up of the Company is made; or
 - (d) a resolution for a voluntary winding-up (other than for amalgamation or reconstruction) of the Company being made,

the Committee may consider, at its discretion, whether or not to Release such Award. If the Committee decides to Release such Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Vesting Period(s) which has elapsed and the extent to which the Performance Condition(s) has been satisfied. Where such Award is Released, the Committee will, as soon as practicable after such Release, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7.

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

7. RELEASE OF AWARDS

- 7.1 As soon as reasonably practicable after the end of the relevant Performance Period, the Committee shall review the Performance Condition specified in respect of that Award and determine whether it has been satisfied and, if so, the extent to which it has been satisfied. The Committee shall have the right to:
- (a) determine in its sole and absolute discretion whether the Performance Condition has been satisfied (whether fully or partially) or exceeded;
 - (b) 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, including changes in accounting methods, taxes and extraordinary events in making any such determination in 7.1(a); and
 - (c) amend the Performance Condition if the Committee decides that a changed performance target would be a fairer measure of performance.
- 7.2 If the Committee determines that the Performance Condition has been satisfied, upon the expiry of each Vesting Period in relation to an Award, the Company shall Release to the relevant Participant the Shares to which his Award relates on the Vesting Date, subject to:
- (a) the relevant Participant (being a Group Employee) having continued to be a Group Employee from the Date of Grant up to the end of the relevant Vesting Period;
 - (b) the relevant Participant (being a Group Non-Executive Director) having continued to be a director of the Company and/or the relevant Subsidiary, as the case may be, up to the end of the relevant Vesting Period;
 - (c) the Committee being of the opinion that the job performance of the relevant Participant has been satisfactory;
 - (d) such consents (including any approvals required by the SGX-ST) as may be necessary having been obtained;
 - (e) compliance with the terms of the Award, the Scheme, and the Constitution of the Company;
 - (f) where Shares are to be allotted or transferred on the Release of an Award, the Participant having a securities account with CDP and compliance with the applicable requirements of CDP; and
 - (g) where New Shares are to be allotted on the Release of an Award, the Company being satisfied that the Shares which are the subject of the Released Award will be listed for quotation on the SGX-ST.
- 7.3 If the Committee determines that the Performance Condition has not been satisfied or if the relevant Participant (being a Group Employee) has not continued to be a Group Employee from the Date of Grant up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rule 7 (save for Rule 7.1) shall be of no effect.
- 7.4 Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be a Market Day falling as soon as practicable after the Release of such Award in accordance with Rule 7.2. The Company shall within 10 Market Days after the Vesting Date, allot the relevant Shares and dispatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of Treasury Shares, do such acts or things which are necessary for the transfer to be effective. In determining whether to issue New Shares or to transfer Treasury Shares to satisfy the Award, the Committee will have the right to take into account factors such as but not limited to the number of Shares to be Released, the prevailing market price of the Shares, and the cost to the Company of either issuing New Shares or transferring Treasury Shares.
- 7.5 Where New Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for the listing and quotation of such Shares.

ANNEX A – RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

- 7.6 Shares which are allotted or transferred on the Release of an Award to a Participant shall be registered in the name of, or transferred to, CDP to the credit of the securities account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent.
- 7.7 New Shares allotted and issued and/or Treasury Shares transferred, upon the Release of an Award shall:
- (a) be subject to all the provisions of the Constitution of the Company; and
 - (b) rank for any dividend, right, allotment or other distribution on the Record Date of which is on or after the relevant Vesting Date and will rank *pari passu* in all respects with the Shares then existing.
- 7.8 The Committee may determine to Vest an Award, wholly or partly, in the form of cash rather than Shares or Treasury Shares, in which event the Participant shall receive, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on the Release of this Award, the aggregate Market Price of such Shares. In determining whether to Release an Award, wholly or partly, in the form of cash rather than Shares, the Committee will take into account, *inter alia*, taxation issues arising from the issue of New Shares and/or purchase of existing Shares, the availability of cash for payment and the cost of funding the cash payment, if necessary.

8. LIMITATION ON THE SIZE OF THE SCHEME

- 8.1 The aggregate number of New Shares available under the Scheme, when added to all Shares, options or awards granted under any other share option scheme, share award scheme, or share incentive scheme adopted by the Company, including but not limited to the Scheme, shall not exceed 15% of the total issued capital (excluding Treasury Shares and Subsidiary Holdings) on the day preceding the Date of Grant.
- 8.2 Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares which may be purchased from the market for delivery pursuant to Release of Awards granted under the Scheme will not be subject to any limit. Alternatively, the Company may make a Release of Awards in cash instead of Shares and Participants entitled to such Awards will receive in lieu of Shares, the aggregate market value of such Shares, in which case such method will not be subject to any limit as it does not involve the issue of any New Shares.

9. ADJUSTMENT EVENTS

- 9.1 If a variation in the issued share capital of the Company (whether by way of a bonus issue, rights issue, capital reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:
- (a) the 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 number of Shares in respect of which Awards may be granted under the Scheme,
- may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate, provided that any such adjustment shall be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.
- 9.2 Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued shares purchased or acquired by the Company by way of a market purchase of such shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.
- 9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

- 9.4 Upon any adjustment being made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the 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.
- 9.5 Notwithstanding the provisions of Rule 9.1 or that no adjustment is required under the provisions of the Scheme, the Committee may, in any circumstances where it considers that no adjustment should be made or that it should take effect on a different date or that an adjustment should be made to any of the matters referred to in Rule 9.1 notwithstanding that no adjustment is required under the said provisions (as the case may be), request the Auditors to consider whether for any reasons whatsoever the adjustment or the absence of an adjustment is appropriate or inappropriate as the case may be, and, after such consideration, no adjustment shall take place or the adjustment shall be modified or nullified or an adjustment made (instead of no adjustment made) in such manner and on such date as shall be considered by such Auditors (acting only as experts and not as arbitrators) to be in their opinion appropriate.

10. ADMINISTRATION OF THE SCHEME

- 10.1 The Scheme shall be administered by the Committee in its absolute discretion, with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or held by him.
- 10.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme, to give effect to the provisions of the Scheme and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit.
- 10.3 The Company shall bear the costs of establishing and administering the Scheme.

11. NOTICES

- 11.1 A Participant shall not by virtue of being granted any Award be entitled to receive copies of any notices or other documents sent by the Company to the holders of Shares.
- 11.2 Any notice or other communication between the Company and a Participant may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office and, in the case of the Participant, his address as notified by him to the Company from time to time.
- 11.3 Any notice or other communication sent by post:
- (a) by the Company shall be deemed to have been received 24 hours after the same was put in the post properly addressed and stamped;
 - (b) by the Participant shall be deemed to have been received when the same is received by the Company at the registered office of the Company.

12. MODIFICATIONS TO THE SCHEME

- 12.1 Any or all the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Board, except that:
- (a) no modification or alteration shall be made which would adversely affect the rights attached to any Award granted prior to such modification or alteration except with the prior consent in writing of such number of Participants who, if their Awards were Released to them upon the expiry of all the Vesting Periods applicable to their Awards, would be entitled to not less than 75% of the aggregate value of the Shares which would fall to be Vested upon the Release of all outstanding Awards upon the expiry of all the Vesting Periods applicable to all such outstanding Awards;

ANNEX A – RULES OF THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021

- (b) no modification or alteration to the definitions of “Associate”, “Committee”, “Controlling Shareholders”, “Group Employee”, “Participant”, “Performance Period” and “Vesting Period” and the provisions of Rules 4, 5, 6, 7, 8, 9, 10 and this Rule 12 shall be made to the advantage of Participants except with the prior approval of the Shareholders of the Company in general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Board may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants but accidental omission to give notice to any Participant(s) shall not invalidate any such modifications or alterations.

13. TERMS OF EMPLOYMENT UNAFFECTED

Notwithstanding the provisions of any other Rule:

- (a) the Scheme or any Award shall not form part of any contract of employment between the Company and/or any Subsidiary and/or any Group Employee and the rights and obligations of any individual under the terms of the office or employment with any such company shall not be affected by his participation in the Scheme or any right which he may have to participate in it or any Award which he may be granted and the Scheme or any Award shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever (whether lawful or not); and
- (b) the Scheme 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 directly or indirectly or give rise to any cause of action at law or in equity against any such company, its directors or employees.

14. DURATION OF THE SCHEME

14.1 The Scheme shall continue to be in operation at the discretion of the Committee for a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Scheme may, subject to applicable laws and regulations, continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

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

14.3 The termination of the Scheme shall not affect Awards which have been granted, whether such Awards have been Released (whether fully or partially) or not.

15. ANNUAL REPORT DISCLOSURE

The Company shall make the following disclosures in its annual report to Shareholders for the duration of the Scheme:

15.1 the names of the members of the Committee;

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

15.2 information as required in the table below for the following Participants:

- (a) Participants who are Directors;
- (b) Participants who are Controlling Shareholders or Associates of Controlling Shareholders;
- (c) Participants, other than those in (a) and (b) above, who receive Awards comprising Shares representing 5% or more of the aggregate of the total number of Shares available under the Scheme,

Name of Participant	Awards granted during the financial year under review (including terms)	Aggregate Awards granted since commencement of the PSAS 2021 to end of the financial year under review	Aggregate Awards Vested since commencement of the PSAS 2021 to the end of financial year under review	Aggregate number of Shares under the Awards which have not been Released as at the end of the financial year under review
----------------------------	--------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------

15.3 in relation to the Scheme, the following particulars:

- (a) the names of and number and terms of Awards granted to each director or employee of the Company's parent company and its subsidiaries (if any) who receive 5% or more of the total number of Awards available to all directors and employees of the parent company and its subsidiaries under the Scheme, during the financial year under review;
- (b) the aggregate number of Awards granted to the directors and employees of the Company's parent company and its subsidiaries (if any) for the financial year under review, and since the commencement of the Scheme to the end of the financial year under review; and

15.4 Any other information required to be disclosed pursuant to the Listing Manual and all other applicable laws and requirements.

If any of the disclosure above in the foregoing of this Rule 15 is not applicable, an appropriate negative statement will be included in the annual report.

16. TAXES, COSTS AND EXPENSES OF THE SCHEME

16.1 Notwithstanding anything herein, each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment of any Shares or transfer of Treasury Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

16.2 The Participants shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or Vesting of the relevant Award. All taxes (including income tax) arising from the grant or Vesting of any Award under the Scheme shall be borne by that Participant. The Company shall not be responsible for any failure by the Participant to obtain any such consent or for any tax or other liability to which the Participant may become subject as a result of his participation in the Scheme.

17. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Company, its Directors or employees or the Committee shall not under any circumstances be held liable for any costs, losses, expenses liabilities or damages whatsoever and howsoever arising in respect of any matter under or in connection with the Scheme, including but not limited to any delay or failure to issue the Shares or procure the transfer of the Treasury Shares or to apply for or procure the listing of New Shares on the SGX-ST in accordance with Rule 7.5 (and any other stock exchange on which the Shares are quoted or listed).

ANNEX A – RULES OF THE MENCASD PERFORMANCE SHARE AWARD SCHEME 2021

18. DISPUTES

Any disputes or differences of any nature arising hereunder (other than matters to be confirmed by the Auditors in accordance with the Scheme) shall be referred to the Committee and its decision shall be final and binding in all respects (including any decisions pertaining to disputes as to interpretation of the Scheme or any Rule, regulation, procedure thereunder or as to any rights under the Scheme).

19. GOVERNING LAW

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

20. ABSTENTION FROM VOTING

All Shareholders who are eligible to participate in the Scheme are to abstain from voting on any Shareholders' resolution relating to the Scheme, including (but not limited to) resolutions approving:

- (a) the proposed adoption and implementation of the Scheme, and
- (b) the participation by Controlling Shareholders and their Associates in the Scheme,

where applicable, other than a resolution relating to the participation of, or grant of Awards to, directors and employees of the Company's parent company and its subsidiaries.

MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021**LETTER OF AWARD**

Serial No. _____

Private and Confidential

[Date]

To: [Name]
[Designation]
[Address]**Dear Sir/Madam****GRANT OF AWARD SHARES UNDER THE MENCAS T PERFORMANCE SHARE AWARD SCHEME 2021 FOR [FINANCIAL YEAR]**

1. As part of your overall compensation package, the Mencast Performance Share Award Scheme 2021 (the “**PSAS 2021**”) gives recognition to outstanding employees of the Company and the Group who have contributed to the long-term growth and profitability of the Company and the Group.
2. We are pleased to inform you that you are eligible to participate in the PSAS 2021, and will be granted an award of shares in the Company (“**Award**”), the particulars of which are as set out below:
 - (a) Date of grant: [.]
 - (b) Number of shares which are the subject of the Award: [.] (“**Award Shares**”)
 - (c) Performance period which the Award relates to: [.] to [.]
 - (d) Performance condition which the Award relates to: [.]
 - (e) Release of Award Shares (“**Released Award**”):

Vesting Periods	Release Schedule (As a percentage of the number of Award Shares to be released)
FY [Year A]	[.]%
FY [Year B]	[.]%
FY [Year C]	[.]%

3. You are not required to pay for the grant of the Award Shares.
4. The Award is governed by the terms and conditions of the PSAS 2021. In particular, pursuant to Rule 6 of the PSAS 2021, should your service with the Company end prior to the release of the Award Shares, all unreleased Award Shares shall immediately lapse.
5. The Released Award is determined by both the Group’s performance and your individual performance during the performance period and it may differ from the Award Shares.

ANNEX A – RULES OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

6. Upon vesting of the Released Award, they will be credited to your CDP securities account, as soon as practicable.
7. Please kindly note that the grant is part of your total compensation and should be kept strictly confidential. I look forward to the continued success of the Company and the Group with your support.

Yours faithfully

THE COMMITTEE
[Name]
MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

MENCAST HOLDINGS LTD.
(Incorporated in Singapore on 30 January 2008)
(Company Registration No. 200802235C)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of **MENCAST HOLDINGS LTD.** (the “**Company**”) will be held on Friday, 30 April 2021 at 12.30 p.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day) by electronic means, for the purpose of considering and, if thought fit, passing with or without any modifications, the following resolution:

*Unless otherwise defined, all capitalised terms used in this Notice of EGM which are not defined herein shall have the same meanings ascribed to them in the circular issued by the Company to its Shareholders dated 15 April 2021 (the “**Circular**”).*

ORDINARY RESOLUTIONS:

(1) THE PROPOSED ADOPTION OF THE MENCAST PERFORMANCE SHARE AWARD SCHEME 2021

That:

- (a) a new performance scheme to be known as the “Mencast Performance Share Award Scheme 2021” (the “**PSAS 2021**”), the details and rules whereof are set out in the Circular, under which awards (the “**Awards**”) of fully-paid Shares, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees of the Company and/or its Subsidiaries, including Directors, controlling shareholders of the Company (the “**Controlling Shareholders**”) and their Associates who are eligible to participate, details of which are set out in the Circular, be and is hereby approved;
- (b) the Directors be and are hereby authorised:
 - (i) to establish and administer the PSAS 2021;
 - (ii) to modify and/or amend the PSAS 2021 from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the PSAS 2021 and to do all such acts and to enter into all such transactions, arrangements and arrangements as may be expedient, necessary, desirable, incidental or in the interests of the Company in order to give full effect to the PSAS 2021; and
 - (iii) to grant Awards in accordance with the provisions of the PSAS 2021 and pursuant to Section 161 of the Companies Act, 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 New Shares available under the PSAS 2021, when added to all Shares, options or awards granted under any other share option scheme, share award scheme, or share incentive scheme adopted by the Company, including but not limited to the PSAS 2021, shall not exceed 15% of the total issued capital (excluding Treasury Shares and Subsidiary Holdings) of the Company on the day preceding the Date of Grant;
 - (iv) subject to the same being allowed by law, to apply any Shares purchased under any share purchase mandate or shares held in treasury by the Company, towards the satisfaction of Awards granted under the PSAS 2021; and
 - (v) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution.

(2) THE PROPOSED PARTICIPATION OF MR. SIM SOON NGEЕ GLENDLE, A CONTROLLING SHAREHOLDER, IN THE PSAS 2021

That subject to and contingent upon the passing of ordinary resolution 1, approval be and is hereby given for the participation in the PSAS 2021 by Mr. Sim Soon Ngee Glendle, a Controlling Shareholder of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

(3) THE PROPOSED GRANT OF AN AWARD TO MR. SIM SOON Ngee GLENDLE, A CONTROLLING SHAREHOLDER, UNDER THE PSAS 2021

That:

- (a) contingent upon the passing of ordinary resolutions 1 and 2, the proposed grant of an Award to Mr. Sim Soon Ngee Glendle in accordance with the provisions of the PSAS 2021 on the following terms, be and is hereby approved; and

Date of Grant : Any time within five (5) Market Days from the date of the EGM

Number of Shares which are the subject of the Award : 1,250,000*

*The no. of shares to be awarded is determined based on the market price per share of S\$0.040 as at the Latest Practicable Date. The actual no. of shares to be awarded to Mr. Sim Soon Ngee Glendle will be determined by reference to the Volume Weighted Average Price of a share in the Company on the SGX-ST over the 5 Market Days immediately after the EGM at a value of up to S\$50,000. An announcement will be made on the actual no. of shares to be awarded to Mr. Sim Soon Ngee Glendle via the SGXNet in due course.

Vesting period of the Award : Automatically Vests on the Date of Grant (to be Released within 14 days from the Date of Grant) or such other date as may be determined by the Committee

- (b) the Directors be and are hereby authorised to:

- (i) allot and issue the relevant Shares, or transfer existing Shares to Mr. Sim Soon Ngee Glendle upon the Release of the Award, in whole or in parts; and
- (ii) 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.

By Order of the Board

Sim Soon Ngee Glendle

Executive Chairman and Chief Executive Officer

15 April 2021

Notes:

1. No attendance in person

The EGM is being convened and will be held by electronic means, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "COVID-19 Order"). The EGM will be conducted via electronic means only and Shareholders will not be able to attend the EGM in person.

2. Registration of Live Webcast

Shareholders may contemporaneously observe the EGM proceedings by watching a "live" audio-visual webcast via their mobile phones, tablets or computers, or listening to these proceedings through a "live" audio-only stream via telephone.

In order to participate in the "live" audio-visual webcast or the "live" audio-only stream, shareholders and investors who hold shares under the Central Provident Fund Investment Scheme ("CPF") (the "CPF Investors") or the Supplementary Retirement Scheme ("SRS") (the "SRS Investors") must pre-register on the EGM website at the URL <http://smartagm.sg/MencastAEGM2021> not later than Tuesday, 27 April 2021, 10.30 a.m. (the "Registration Deadline") to enable the Company to verify their status as Shareholders.

Investors holding shares through relevant intermediaries (as defined in Section 181 of the Companies Act) (the "Relevant Intermediaries"), ("Investors") (other than CPF Investors and SRS Investors) will not be able to pre-register for the "live" broadcast of the EGM. Investors (other than CPF Investors and SRS Investors) who wish to participate in the EGM by observing and/or listening to the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream should contact their respective Relevant Intermediaries through which they hold such shares as soon as possible, so that the Relevant Intermediaries may make the necessary arrangements for them to participate in the EGM before the Registration Deadline.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Following the verification, authenticated Shareholders will receive an email not later than Thursday, 29 April 2021, 12.00 p.m (the “**Confirmation Email**”) containing instructions on how to access the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings. Shareholders who do not receive the Confirmation Email by Thursday, 29 April 2021, 12.00 p.m. but who have registered by the Registration Deadline, should contact our Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at AGM.TeamE@boardroomlimited.com, or alternatively at +65 6536 5355 between 9.00 a.m. to 12.30 p.m. and 1.30 p.m. to 4.00 p.m. on 29 April 2021 .

Shareholders are reminded that the EGM proceedings are private. Instructions on access to the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings should therefore not be shared with anyone who is not a Shareholder of the Company or otherwise not authorised to attend the EGM. This is also to avoid any technical disruptions or overload to the “live” audio-visual webcast or “live” audio-only stream. Recording of the “live” audio-visual webcast or “live” audio-only stream in whatever form is also strictly prohibited.

3. Notice of EGM and the Circular

Printed copies of the Notice of EGM, the Circular and the Proxy Form has been despatched to Shareholders. The electronic copies of the Notice of EGM, the Proxy Form and the Circular will be made available via publication on the Company’s website at the URL <http://www.mencast.com.sg> and on SGXNET.

4. Submission of Questions in Advance

Shareholders will not be able to ask questions at the EGM during the “live” audio-visual webcast or “live” audio-only stream. Shareholders, CPF Investors and SRS Investors can submit their questions to the Company not later than Tuesday, 27 April 2021, 10.30 a.m. in the following manner:

- (i) via the pre-registration link at URL: <http://smartagm.sg/MencastAEGM2021>;
- (ii) by email to AGM.TeamE@boardroomlimited.com; or
- (iii) by post to the office of the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623.

All substantial and relevant questions received by the deadline stated above will be responded to prior to, or at, the EGM.

When sending in the questions via the EGM website, email or by post to the Company’s registered address, Shareholders are also required to provide the following details, failing which the submission will be treated as invalid:

- (i) Full name;
- (ii) Contact number;
- (iii) Address;
- (iv) NRIC, passport number or company registration number;
- (v) Number of shares held; and
- (vi) The manner in which the shares in the Company are held (e.g. via scrip, CDP, CPF or SRS).

Investors (other than CPF Investors and SRS Investors) who wish to submit questions should approach their respective Relevant Intermediaries early, so that the Relevant Intermediaries may in turn submit their questions for the EGM to the Company before the deadline stated above (i.e. no later than Tuesday, 27 April 2021, 10.30 a.m.).

The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNET and the Company’s website at the URL <http://www.mencast.com.sg> which will include substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and management.

5. Voting

A member will not be able to vote online on the resolution to be tabled for approval during the “live” audio-visual webcast or “live” audio-only stream of the EGM. Members who wish to exercise his/her/its voting rights at the EGM, must each submit a Proxy Form to appoint the Chairman of the Meeting to act as proxy and direct the vote at the Meeting. The Proxy Form for the EGM can be accessed at SGXNET, the Company’s website at the URL <http://www.mencast.com.sg> and is made available with this Notice of EGM.

In appointing the Chairman of the Meeting as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

The Chairman of the Meeting, as proxy, need not be a member of the Company.

Shareholders who wish to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting the signed Proxy Form through any one of the following means:

- (i) if submitted by post, be lodged at the office of the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623;
- (ii) if submitted electronically, be submitted via email to the AGM.TeamE@boardroomlimited.com

in either case, by no later than Wednesday, 28 April 2021 at 12.30 p.m. (the “**Cut-off time**”), being forty-eight (48) hours before the time appointed for holding the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Investors (including CPF Investors and SRS Investors) who wish to vote should approach their respective Relevant Intermediaries, CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by Tuesday, 20 April 2021 at 12.30 p.m.) in order to allow sufficient time for their respective Relevant Intermediaries, CPF Agent Banks or SRS Operators to in turn submit a Proxy Form to appoint the Chairman of the Meeting to vote on their behalf by the Cut-off time. The Proxy Form is not valid for use by Investors (including CPF Investors and SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Shareholders to submit completed Proxy Forms by post, Shareholders are strongly encouraged to submit Proxy Forms electronically via email.

Where a Proxy Form is signed on behalf of the appointer by an attorney, the letter or the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form (or if submitted electronically via email, be emailed with the Proxy Form), failing which the Proxy Form may be treated as invalid. The Proxy Form must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. The dispensation of the use of common seal pursuant to the Companies Act (Chapter 50) of Singapore is applicable at this EGM.

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

Further developments

Shareholders should note that the manner of conduct of the EGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conduct of the EGM will be announced by the Company on SGXNET and the Company's website at the URL <http://www.mencast.com.sg>. Shareholders are advised to check SGXNET and the Company's website regularly for further updates.

The Company seeks the understanding and co-operation of all members in enabling the Company to hold and conduct the EGM in compliance with the safe distancing measures to stem the spread of COVID-19 infections.

Personal data privacy:

By submitting (a) a Proxy Form appointing the Chairman of the Meeting as the proxy to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) Shareholder's particulars for pre-registration to contemporaneously observe the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream, or (c) any questions prior to the EGM in accordance with this Notice of EGM, a member consents to the collection, use and disclosure of the member's personal data by the Company (or its agents, advisers or service providers, as the case may be) for the following purposes:

- (a) processing and administration by the Company (or its agents, advisers or service providers, as the case may be) of the Proxy Form appointing the Chairman of the Meeting as the proxy for the EGM (including any adjournment thereof);
- (b) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof);
- (c) processing of pre-registration for participation at the EGM for purpose of granting access to members to the "live" audio-visual webcast or "live" audio-only stream and providing them with any technical assistance when necessary;
- (d) addressing relevant and substantial questions related to the resolutions to be tabled for approval at the EGM from members received before the relevant time prior to the EGM and if necessary, following up with the relevant members in relation to such questions; and
- (e) enabling the Company (or its agents, advisers or service providers, as the case may be) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes of the EGM. Accordingly, the personal data of a member (such as name, presence at the EGM and any questions raised or motions proposed/seconded) may be recorded by the Company for such purposes.

PROXY FORM

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company registration no.: 200802235C)

EXTRAORDINARY GENERAL MEETING PROXY FORM

IMPORTANT:

Due to the current COVID-19 situation in Singapore, members will not be able to attend the EGM in person. Members (whether individuals or corporates) must appoint the Chairman of the Meeting as their proxy to attend, speak and vote on their behalf at the EGM if such members wish to exercise their voting rights at the EGM.

Please read the notes to this Proxy Form.

I/We*, _____ (Name) with NRIC/Passport/Company
Registration Number* _____ of _____
_____(Address) being a member/members* of **MENCAST HOLDINGS LTD. ("Company")**,
hereby appoint the Chairman of the Meeting as my/our* proxy, to attend and vote for me/us* on my/our* behalf at the
Extraordinary General Meeting ("**EGM**") of the Company to be held by electronic means on Friday, 30 April 2021 at 12.30 p.m.
and at any adjournment thereof.

I/We* direct the Chairman of the Meeting as my/our* proxy to vote for, against, or to abstain from voting on the resolution
proposed at the EGM as indicated hereunder. **If no specific direction as to voting is given in respect of a resolution, the
appointment of the Chairman of the Meeting as my/our proxy for that resolution will be treated as invalid.**

No.	Ordinary Resolution	For	Against	Abstain
1	The proposed adoption of the Mencast Performance Share Award Scheme 2021 (the " PSAS 2021 ")			
2	The proposed participation of Mr. Sim Soon Ngee Glenndle, a Controlling Shareholder, in the PSAS 2021			
3	The proposed grant of an Award to Mr. Sim Soon Ngee Glenndle, a Controlling Shareholder, under the PSAS 2021			

Note: If you wish to exercise all your votes "For", "Against" or to "Abstain" from voting, please indicate with a tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____ day of _____ 2021

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

Signature of Member(s) / Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular issued by the Company to the Shareholders dated 15 April 2021 (the "Circular"), including supplements and modifications thereto.

PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the register of members of the Company (the "**Register of Members**"), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the Meeting as a proxy (the "**Proxy Form**") shall be deemed to relate to all the shares held by you.
2. Due to the current COVID-19 restriction orders in Singapore, members will not be able to attend the EGM in person. **A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.**
3. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
5. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act), including investors who have used their CPF monies and/or the Supplementary Retirement Scheme monies to buy shares ("**CPF Investors**" and "**SRS Investors**" respectively), who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (which would include, in the case of CPF Investors and SRS Investors, CPF Agent Banks and SRS Operators) through which they hold such shares in order to submit their voting instructions at least seven (7) working days before the time appointed for the holding of the EGM, that is, by Tuesday, 20 April 2021 at 12.30 p.m..
6. The instrument appointing the Chairman of the Meeting as proxy must be duly executed and submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623; or
 - (b) if submitted electronically, be submitted via email to AGM.TeamE@boardroomlimited.comin either case, by no later than Wednesday, 28 April 2021 at 12.30 p.m., being forty-eight (48) hours before the time appointed for holding the EGM. **In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.**
7. Where a Proxy Form is signed on behalf of the appointer by an attorney, the letter or the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form (or if submitted electronically via email, be emailed with the Proxy Form), failing which the Proxy Form may be treated as invalid.
8. The Proxy Form must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. The dispensation of the use of common seal pursuant to the Companies Act (Chapter 50) of Singapore is applicable at this EGM.

GENERAL:

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

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 15 April 2021.