

**CIRCULAR DATED 10 JULY 2015**

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

**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 ordinary shares (the “**Shares**”) in the capital of Yoma Strategic Holdings Ltd. (the “**Company**”) held through The Central Depository (Pte) Limited (the “**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately forward this Circular and the Proxy Form to the purchaser or to the 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 accuracy of any of the statements made or opinions expressed or reports contained in this Circular.

The SGX-ST has approved in-principle the listing and quotation of the New Shares arising from the Yoma PSP and the Sign-On Shares. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Yoma PSP, the New Shares, the Sign-On Shares, the Company and/or its Subsidiaries.

Terms appearing on the cover of this Circular have the same meanings as defined in this Circular.



## **YOMA STRATEGIC HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 196200185E)

### **CIRCULAR TO SHAREHOLDERS**

**in relation to**

- (1) THE PROPOSED AMENDMENT TO THE YOMA STRATEGIC HOLDINGS EMPLOYEE SHARE OPTION SCHEME 2012 (THE “YSH ESOS 2012”)**
- (2) THE PROPOSED PARTICIPATION OF MR. MELVYN PUN IN THE YSH ESOS 2012**
- (3) THE PROPOSED GRANT OF AN OPTION TO MR. MELVYN PUN UNDER THE YSH ESOS 2012**
- (4) THE PROPOSED YOMA PERFORMANCE SHARE PLAN (THE “YOMA PSP”)**
- (5) THE PROPOSED PARTICIPATIONS OF (A) MR. SERGE PUN, A CONTROLLING SHAREHOLDER; (B) MR. MELVYN PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER; AND (C) MR. CYRUS PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE YOMA PSP**
- (6) THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000 SIGN-ON SHARES TO MR. MELVYN PUN AT A NOMINAL CONSIDERATION OF S\$1**

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

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|--|---|---|
| Last date and time for lodgement of Proxy Form | : | 25 July 2015 at 3.30 p.m.   |
| Date and time of Extraordinary General Meeting | : | 27 July 2015 at 3.30 p.m. (or at such time immediately following the conclusion of the annual general meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting         | : | The Straits Room,<br>Level Four, The Fullerton Hotel,<br>1 Fullerton Square,<br>Singapore 049178  |

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## CONTENTS

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	Page
<b>DEFINITIONS .....</b>	<b>3</b>
<b>CIRCULAR TO SHAREHOLDERS</b>	
1. INTRODUCTION .....	7
2. THE PROPOSED AMENDMENT TO THE RULES OF THE YSH ESOS 2012 .....	7
3. THE PROPOSED PARTICIPATION OF MR. MELVYN PUN IN THE YSH ESOS 2012 AND THE PROPOSED GRANT OF AN OPTION TO MR. MELVYN PUN .....	8
4. THE PROPOSED YOMA PERFORMANCE SHARE PLAN .....	9
5. THE PROPOSED PARTICIPATIONS OF (A) MR. SERGE PUN, A CONTROLLING SHAREHOLDER; (B) MR. MELVYN PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER; AND (C) MR. CYRUS PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE YOMA PSP .....	17
6. FINANCIAL EFFECTS OF THE YOMA PSP.....	20
7. THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000 SIGN-ON SHARES TO MR. MELVYN PUN .....	21
8. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS .....	23
9. DIRECTORS' RECOMMENDATIONS.....	24
10. EXTRAORDINARY GENERAL MEETING .....	25
11. ACTIONS TO BE TAKEN BY SHAREHOLDERS .....	25
12. ABSTENTION FROM VOTING .....	26
13. DIRECTORS' RESPONSIBILITY STATEMENT .....	26
14. ADDITIONAL INFORMATION.....	26
15. DOCUMENT AVAILABLE FOR INSPECTION .....	27
<b>APPENDIX 1 : PROPOSED AMENDMENT TO THE YSH ESOS 2012 .....</b>	<b>28</b>
<b>APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN .....</b>	<b>29</b>
<b>NOTICE OF EXTRAORDINARY GENERAL MEETING.....</b>	<b>43</b>
<b>PROXY FORM</b>	

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions apply throughout this Circular:

- “Articles”** : The articles of association of the Company for the time being in force
- “Associate”** : (a) in relation to any Director, Chief Executive Officer of the Company, a Substantial Shareholder or a Controlling Shareholder (being an individual) means:
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Auditors”** : The auditors of the Company for the time being
- “Award”** : A contingent award of Shares granted under the Yoma PSP
- “Award Date”** : In relation to an Award, the date on which the Award is granted
- “Board”** : The board of Directors as at the date of this Circular
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular dated 10 July 2015
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
- “Company”** : Yoma Strategic Holdings Ltd.
- “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 nominal amount of all voting Shares in the Company unless the SGX-ST determines that such a person is not a Controlling Shareholder of the Company); or
  - (b) in fact exercises Control over the Company.

As at Latest Practicable Date, the Controlling Shareholder is Mr. Serge Pun @ Theim Wai.

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## DEFINITIONS

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<b>“Directors”</b>	: The directors of the Company as at the date of this Circular
<b>“EGM”</b>	: The extraordinary general meeting of Shareholders, notice of which is set out on page 43 in this Circular
<b>“Employee”</b>	: A confirmed employee of the Group selected by the Remuneration Committee to participate in the Yoma PSP, in accordance with the terms and conditions set out therein
<b>“EPS”</b>	: Earnings per Share
<b>“Executive Director”</b>	: A Director of the Company or a director of any of its Subsidiaries, as the case may be, who performs an executive function
<b>“FY”</b>	: Financial year ended or ending 31 March unless otherwise specified
<b>“Group”</b>	: The Company and its subsidiaries, collectively
<b>“Group Employee”</b>	: An employee of the Group (including any Executive Director, any Director who is a Controlling Shareholder, any Director who is an Associate of a Controlling Shareholder) selected by the Remuneration Committee to participate in the Yoma PSP in accordance with the Rules
<b>“Independent Director”</b>	: An independent Director of the Company. The current independent directors of the Company as at the date of this Circular are Messrs. Adrian Chan Pengee, Basil Chan, Kyi Aye and Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming
<b>“Independent Shareholders”</b>	: Shareholders other than Shareholders who are Controlling Shareholders and Shareholders who are Associates of a Controlling Shareholder
<b>“Latest Practicable Date”</b>	: 3 July 2015, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	: The Listing Manual in the SGX-ST, as maybe amended or modified from time to time
<b>“Market Day”</b>	: A day on which the SGX-ST is open for trading in securities
<b>“Memorandum”</b>	: The memorandum of association of the Company for the time being in force
<b>“New Shares”</b>	: The new Shares which may be allotted and issued from time to time pursuant to an Award under the Yoma PSP
<b>“Non-Executive Directors”</b>	: A Director who is not an Executive Director, including any Independent Director
<b>“Notice of EGM”</b>	: The notice of EGM as set out on page 43 in this Circular, for the purposes of considering and, if thought fit, passing with or without modifications, the resolutions as set out therein
<b>“NTA”</b>	: Net tangible assets of the Group

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## DEFINITIONS

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<b>“Option”</b>	: The right to subscribe for new Shares granted or to be granted pursuant to the YSH ESOS 2012 and for the time being subsisting
<b>“Other Directors”</b>	: Being Messrs. Andrew Jonathan Rickards, Adrian Chan Pengee, Basil Chan, Kyi Aye and Dr. Mohd Amin Liew Abdullah @Liew Kong Ming
<b>“Participant”</b>	: The person(s) who has been granted an Award pursuant to the Yoma PSP
<b>“Record Date”</b>	: In relation to any dividends, rights allotment or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
<b>“Released Schedule”</b>	: In relation to an Award, a schedule in such form as the Remuneration Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be released on the performance target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period
<b>“Remuneration Committee”</b>	: The remuneration committee of the Company whose members as at the date of this Circular are Messrs. Mohd Amin Liew Abdullah @ Liew Kong Ming, Basil Chan and Kyi Aye
<b>“Rules”</b>	: Rules of the Yoma PSP as set out in the Appendix 2 and any reference to a particular Rule shall be construed accordingly
<b>“Securities Account”</b>	: A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<b>“SGXNET”</b>	: The SGXNET Corporate Announcement System
<b>“SGX-ST”</b>	: Singapore Exchange Securities Trading Limited
<b>“Shares”</b>	: Ordinary shares in the share capital of the Company
<b>“Shareholders”</b>	: Registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors in the Depository Register maintained by CDP and whose Securities Accounts are credited with the Shares. Any reference to Shares held by or shareholdings of Shareholders shall include shares standing to the credit of their respective Securities Account
<b>“Sign-On Shares”</b>	: 2,000,000 new Shares to be allotted and issued to Mr. Melvyn Pun
<b>“Substantial Shareholder”</b>	: A person who has an interest (directly or indirectly) of 5% or more of the total issued share capital of the Company
<b>“Subsidiary”</b>	: Has the meaning ascribed to it in Section 5 of the Companies Act

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## DEFINITIONS

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- “**Take-Over Code**” : The Singapore Code on Takeovers and Mergers, as amended or modified from time to time
- “**Treasury Share**” : (a) A Share which was (or is treated as having been) purchased by a company in circumstances in which Section 76H of the Companies Act applies; and
- (b) has been held by the company continuously since the treasury share was so purchased
- “**YOMA PSP**” : The proposed Yoma Performance Share Plan
- “**YSH ESOS 2012**” : The Yoma Strategic Holdings Ltd. Employee Share Option Scheme 2012 approved by Shareholders on 25 May 2012

### **Currencies, Units and Others**

- “**S\$**” and “**cents**” : Singapore Dollars and cents, respectively
- “**%**” or “**per cent.**” : Percentage or per centum

The terms “**depositor**”, “**depository agent**” and “**depository register**” shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act and the term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

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

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Securities and Futures Act, Chapter 289 of Singapore or the Companies Act or Listing Manual or any statutory or regulatory modification thereof and used in this Circular shall where applicable have the same meaning ascribed to it under the Securities and Futures Act, Chapter 289 of Singapore or the Companies Act or Listing Manual or such statutory modification, as the case may be, unless otherwise provided.

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

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated and shall include such other date(s) or time(s) as may be announced from time to time or on behalf of the Company.

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## CIRCULAR TO SHAREHOLDERS

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### YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration No. 196200185E)

**Directors:**

Mr. Serge Pun @ Theim Wai (Executive Chairman)  
Mr. Andrew Jonathan Rickards (Executive Director and Chief Executive Officer)  
Mr. Pun Chi Yam Cyrus (Executive Director)  
Mr. Adrian Chan Pengee (Lead Independent Director)  
Mr. Basil Chan (Independent Director)  
Mr. Kyi Aye (Independent Director)  
Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming (Independent Director)  
Mr. Pun Chi Tung Melvyn (Alternate Director to Mr. Serge Pun)

**Registered Office:**

78 Shenton Way  
#32-00  
Singapore 079120

10 July 2015

**To: The Shareholders of Yoma Strategic Holdings Ltd.**

Dear Shareholders,

- (1) **THE PROPOSED AMENDMENT TO THE YOMA STRATEGIC HOLDINGS EMPLOYEE SHARE OPTION SCHEME 2012 (“YSH ESOS 2012”)**
- (2) **THE PROPOSED PARTICIPATION OF MR. MELVYN PUN IN THE YSH ESOS 2012**
- (3) **THE PROPOSED GRANT OF AN OPTION TO MR. MELVYN PUN UNDER THE YSH ESOS 2012**
- (4) **THE PROPOSED YOMA PERFORMANCE SHARE PLAN (THE “YOMA PSP”)**
- (5) **THE PROPOSED PARTICIPATIONS OF (A) MR. SERGE PUN, A CONTROLLING SHAREHOLDER; (B) MR. MELVYN PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER; AND (C) MR. CYRUS PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE YOMA PSP**
- (6) **THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000 SIGN-ON SHARES TO MR. MELVYN PUN AT A NOMINAL CONSIDERATION OF S\$1**

#### 1. INTRODUCTION

The Directors are convening an EGM to be held on 27 July 2015 to seek Shareholders' approval for the above mentioned matters.

The purpose of this Circular is to provide Shareholders with information relating to the said matters to be tabled at the EGM.

#### 2. THE PROPOSED AMENDMENT TO RULES OF THE YSH ESOS 2012

The YSH ESOS 2012 was approved by Shareholders on 25 May 2012 at an extraordinary general meeting of the Company. The objectives of the YSH ESOS 2012 are to provide an opportunity for employees or Directors of the Group to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance.

##### 2.1 Proposed Amendment

Capitalised terms and phrases in this section, unless otherwise defined in this Circular, have the same meaning as when used in the rules of the YSH ESOS 2012.



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## CIRCULAR TO SHAREHOLDERS

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It is proposed that Rule 5 of the YSH ESOS 2012 be amended to reduce the 15% limit on the aggregate number of Shares over which the Remuneration Committee may grant Options under the YSH ESOS 2012 and any other share-based incentive schemes of the Company to 10% of the total issued Share (excluding Treasury Shares) from time to time.

This proposed modification is set out in Appendix 1 of this Circular and is subject to Shareholders' approval.

### 3. THE PROPOSED PARTICIPATION OF MR. MELVYN PUN IN THE YSH ESOS 2012 AND PROPOSED GRANT OF AN OPTION TO MR. MELVYN PUN

#### 3.1 Introduction

The Company had on 22 May 2015 announced that Mr. Melvyn Pun shall be appointed as the Chief Executive Officer and an Executive Director of the Company with effect from 27 July 2015 immediately after the annual general meeting of the Company to be convened on the same day. It is a term in his service agreement dated 22 May 2015 (the "**Service Agreement**") that he be granted options exercisable into 4,000,000 new Shares under the YSH ESOS 2012.

#### 3.2 Rationale

Mr. Melvyn Pun is the son of Mr. Serge Pun and therefore, an Associate of the Controlling Shareholder.

The appointment of Mr. Melvyn Pun as the Chief Executive Officer ("**CEO**") of the Company is in line with the succession planning of the Company. As the CEO, Mr. Melvyn Pun will be responsible for the overall management and day-to-day operations of the Group as well as the formulation of the business directions, strategies and policies of the Group.

Furthermore, the leadership of Mr. Melvyn Pun will be critical as the Group embarks on its next phase of growth to diversify by building its non-real estate businesses particularly in the automotive and consumer businesses to match the scale of its real estate operations by 2020.\*

As one of the objectives of the YSH ESOS 2012 is to engender stronger ties and dedication to the Group through share ownership in the Company, the Company believes that the participation by Mr. Melvyn Pun in the YSH ESOS 2012 will spur him to contribute to the future growth, profitability and development of the Group over a longer horizon.

The Other Directors (who are not the Controlling Shareholder and an Associate of the Controlling Shareholder) are of the view that the extension of the YSH ESOS 2012 and the Yoma PSP to Mr. Melvyn Pun is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company and the Group. As both the YSH ESOS 2012 and the Yoma PSP serve as a recognition of the past contributions of those eligible to participate in these schemes as well as to secure future contributions for the Company and the Group from them, it is important that Mr. Melvyn Pun should not be excluded from them.

As at the Latest Practicable Date, Mr. Melvyn Pun has no interest in any Shares. Pursuant to Rule 853 of the Listing Manual, Mr. Melvyn Pun's participation in the YSH ESOS 2012 and the Yoma PSP has to be approved by Independent Shareholders in a general meeting.

Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Mr. Melvyn Pun and his Associates shall abstain from voting in respect of the YSH ESOS 2012 and the Yoma PSP and his participation in the YSH ESOS 2012 and the Yoma PSP.

\* Please refer to the CEO's Statement in the Company's annual report for FY2015.



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## CIRCULAR TO SHAREHOLDERS

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### 3.3 Terms of grant of an Option to Mr. Melvyn Pun

For the reasons set out above, it is proposed that approval be given to the Remuneration Committee to grant an Option to Mr. Melvyn Pun on the following terms:-

- (i) Proposed Date of Grant : Within one (1) month from the date of the EGM
- (ii) Number of New Shares comprised in the option : 4,000,000
- (iii) Subscription Price per New Share : At a 20% discount to Market Price on the Date of Grant
- (iv) Exercise Period : The period from the day after the 2<sup>nd</sup> anniversary of the Date of Grant to the day falling before the 10<sup>th</sup> anniversary of the Date of Grant

The criteria and terms of the grant of the Option to Mr. Melvyn Pun are consistent with those of other eligible participants of the YSH ESOS 2012. The Company is seeking Independent Shareholders' approval for the proposed grant of the Option to Mr. Melvyn Pun in the EGM.

## 4. THE PROPOSED YOMA PERFORMANCE SHARE PLAN

### 4.1 Background and Rationale

The Yoma PSP allows the Company to target specific performance objectives and to provide an incentive for Participants to achieve these targets, which ultimately, will create and enhance economic value for Shareholders. Through the Yoma PSP, the Company will be able to recognise and reward past contributions and services and motivate Participants to continue to strive for the Group's long-term prosperity. In addition, the Yoma PSP aims to foster an ownership culture within the Group.

The Company believes that attracting and retaining outstanding individuals as employees is paramount to the Group's long-term objective of achieving continuous growth, expansion and profitability in its business and operations. It is hoped that through the implementation of the Yoma PSP, the Company will be able to remain an attractive and competitive employer and be better positioned to manage its fixed overhead costs without compromising on performance standards and efficiency.

Through the Yoma PSP, the award of fully-paid Shares, free of charge, to the Participants is intended to be a more attractive form of bonus from the Company to the Participants in motivating employees as it gives them a stake in the ownership of the Company whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with other multinational companies.

The Yoma PSP will serve as an additional and flexible incentive tool. With the Yoma PSP, the Company would be able to tailor share-based incentives according to the objectives to be achieved.

The Awards granted under this Yoma PSP will be determined at the sole discretion of the Remuneration Committee which will oversee and administer the Yoma PSP. In considering the grant of an Award to a Participant, the Remuneration Committee shall take into account (where applicable) criteria such as the rank, scope of responsibilities, performance, years of service and potential for future development of the selected Employee. The length of the vesting period(s) in respect of each Award will be determined by the Remuneration Committee on a case-by-case basis taking into consideration the length of service of the Participant and the need to retain the Participant so as to encourage him/her to continue serving the Group for a further period even after having satisfied the performance target. No minimum vesting periods are prescribed under the Yoma PSP. The criteria and terms of the Awards will be applied consistently to all Participants including the Controlling Shareholders and their Associates.

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## CIRCULAR TO SHAREHOLDERS

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The total number of New Shares which may be issued pursuant to Awards granted under the Yoma PSP when aggregated with the aggregate number of Shares which may be granted under the YSH ESOS 2012 and any other share-based incentive scheme shall not exceed 10% of the total issued Shares (excluding Treasury Shares) from time to time.

The Yoma PSP is subject to the approval of the Independent Shareholders, which is being sought at the EGM, notice of which is set out in this Circular.

### 4.2 Summary of the Yoma PSP

A summary of the Rules of the Yoma PSP is set out below.

#### (a) Eligibility

Employees who are eligible to participate in the Yoma PSP must be:

##### (a) Group Employees

- (i) confirmed full-time employees of the Company and/or its Subsidiaries who have attained the age of 21 years on or before the date of Award and are not undischarged bankrupts and have not entered into a composition with their respective creditors; and
- (ii) Executive Directors, including Directors who are Controlling Shareholders, and Directors who are Associates of Controlling Shareholders; and

##### (b) Non-Executive Directors including Independent Directors.

Save as prescribed by Rule 853\* of the Listing Manual, there shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented or to be implemented by the Company.

#### Participation by Executive Directors and Group Employees

The Yoma PSP allows the Group to have a fair and equitable system to reward employees (including the Executive Directors) who have made and who continue to make contributions to the long-term growth of the Group. The success of the Group's business is dependent on the Group's ability to attract and retain good employees and the Company believes that the Yoma PSP will be an essential part of the Group's strategy for recruiting and retaining capable employees.

#### Participation by Non-Executive Directors (including Independent Directors)

Although the Non-Executive Directors (including Independent Directors) are not involved in the day to day management of the Group, these directors serving in a non-executive capacity bring to the Group their wealth of knowledge, business expertise and contacts in the business community. They play a crucial role in helping the Group shape the business strategy and further the business interest of the Group by allowing the Group to draw on their different backgrounds and diverse working experiences. The Non-Executive Directors (including Independent Directors) also sit on the Audit and Risk Management Committee, Remuneration Committee and Nominating and Governance Committee of the Company. As Non-Executive Directors (including Independent Directors) and committee members, these Directors serve an important function in ensuring good corporate governance of the Group.

\* Rule 853 of the Listing Manual provides that participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer. A separate resolution must be passed approved by independent shareholders of the issuer. A separate resolution must be passed for each person and to approve the actual number and terms of options to be granted to that participant.

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## CIRCULAR TO SHAREHOLDERS

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Currently, the Non-Executive Directors (including Independent Directors) are remunerated for their services by way of Directors' fees paid in the form of cash. Extending the Yoma PSP to the Non-Executive Directors (including Independent Directors) will provide an alternative to remunerate them by cash as it may not always be possible to compensate such persons fully or appropriately by way of extra Directors' fees. For example, a specific Non-Executive Director may contribute more than just by fulfilling his duties as a Non-Executive Director. He may bring strategic and other values to the Group, which may be difficult to quantify in monetary terms. The grant of Awards to Non-Executive Directors (including Independent Directors) will allow the Company to attract and retain experienced and qualified persons from different professional backgrounds to join the Company and to motivate existing Directors to take extra efforts to promote the interests of the Company and/or the Group.

The selection of Directors to participate in the Yoma PSP and the number of Awards to be offered (in accordance with the Yoma PSP) will be made by the Remuneration Committee taking into consideration among other things, the services and contributions made by such Directors to the growth, development and success of the Group. The Remuneration Committee may, where it considers it relevant, take into account other factors such as the economic conditions and the Company's performance. Although the Non-Executive Directors (including Independent Directors) may be appointed as members of the Remuneration Committee, the Rules of the Yoma PSP provide that a member of the Remuneration Committee shall not be involved in the deliberations of the Remuneration Committee in respect of the grant of Awards to him. The Directors intend to grant Awards to Non-Executive Directors (including Independent Directors) which will not be of such significance so as to minimise the potential conflicts of interest and/or not to compromise the independence of the Independent Directors. Therefore, the total number of Shares comprised in Awards to be granted to Non-Executive Directors (including Independent Directors) shall not exceed 3% of the Shares available under the Yoma PSP.

### Participation by Directors who is a Controlling Shareholder or Directors who are Associates of Controlling Shareholder

Participation by Director who is Controlling Shareholder or Directors who are Associates of Controlling Shareholder shall be approved by Independent Shareholders. The Company will seek such approval, if required. As at the Latest Practicable Date, Mr. Serge Pun is the Controlling Shareholder and Messrs. Melvyn Pun and Cyrus Pun, his sons, are Associates of the Controlling Shareholders and they are seeking Independent Shareholders' approval for their participation in the Yoma PSP, details of the rationale are found in Section 5 of the Circular.

The criteria and terms of the Awards will be applied consistently to all Participants including the Controlling Shareholders and their Associates.

### **(b) Size**

The total number of New Shares which may be issued pursuant to Awards granted under the Yoma PSP when aggregated with the aggregate number of Shares which may be granted under the YSH ESOS 2012 and any other share-based incentive scheme shall not exceed 10% of the total issued Shares (excluding Treasury Shares) from time to time (the "**Prescribed Limit**").

The following additional limits must not be exceeded:–

- (i) the aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the Yoma PSP; and
- (ii) the number of Shares available to each Controlling Shareholder or his Associate must not exceed 10% of the Shares available under the Yoma PSP.

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## CIRCULAR TO SHAREHOLDERS

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The Company may also deliver Shares pursuant to Awards granted under the Yoma PSP in the form of existing Shares purchased from the market or from Treasury Shares.

The Directors believe that the size of the Yoma PSP is reasonable, taking into account the nature of the business in the industry, the contributions of the Participants, and the share capital of the Company. The Directors believe that the size of the Yoma PSP will give the Company sufficient flexibility to decide the number of Shares to be awarded under the Yoma PSP. However, it does not indicate that the Remuneration Committee will definitely issue Shares up to the Prescribed Limit. The Remuneration Committee will exercise its discretion in deciding the number of Shares to be awarded to each Participant under the Yoma PSP. This, in turn, will depend on and be commensurate with the performance and value of each Participant to the Group.

The number of Shares to be awarded to each Participant in accordance with the Yoma PSP shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as the rank and responsibilities, performance, years of service and potential for future development of the Participant. Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Remuneration Committee under the Yoma PSP.

**(c) Duration**

The Yoma PSP shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which the Yoma PSP is adopted by the Company in a general meeting, provided always that the Yoma PSP may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in a general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Yoma PSP, any Awards made to Participants prior to such expiry or termination will continue to remain valid.

As at the Latest Practicable Date, the total number of issued Shares is 1,730,149,620 and the aggregate number of Shares available under the Yoma PSP would be 147,633,194 taking into account the issuable Shares comprised in Options granted as at the Latest Practicable Date.

**(d) Awards**

Awards represent the right of a Participant to receive fully-paid Shares free of charge, provided that certain prescribed performance targets are met prior to the expiry of the prescribed performance period. The Company believes that the ability to offer Awards free of charge will operate as a means to recognise and acknowledge the Participant for their outstanding performance and as a reward for their valuable and dedicated service to the Company, as well as to motivate and encourage greater dedication and loyalty to the Company. It will also help to place the Company in a more competitive position in the recruitment and retention of staff in an intensely competitive environment by enhancing the competitiveness of remuneration packages offered to existing and prospective employees. Shares which are allotted and issued or transferred to a Participant are not subject to any restrictions against disposal or sale or any other dealings by the Participant.

**(e) Entitlement to Awards**

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Yoma PSP shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, *inter alia*, the rank, scope of responsibilities, performance, years of service and potential for future development, contribution to the success of the Group and the extent of effort and resourcefulness with which the performance target(s) may be achieved within the performance period.

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## CIRCULAR TO SHAREHOLDERS

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**(f) Details of Awards**

The Remuneration Committee shall decide, *inter alia*, at its sole discretion, the following:

- (i) the Employee;
- (ii) the Award Date;
- (iii) the performance period;
- (iv) the number of Shares which are the subject of the Award;
- (v) the vesting period;
- (vi) the performance target(s) which shall be set based on the proposal of the management of the Company and according to the specific roles of each Participant, and which may differ from Participant to Participant;
- (vii) the Released Schedule; and
- (viii) any other condition which the Remuneration Committee may determine in relation to that Award.

The length of the vesting period(s) in respect of each Award will be determined by the Remuneration Committee on a case-by-case basis taking into consideration the length of service of the Participant and the need to retain the Participant so as to encourage him/her to continue serving the Group for a further period even after having satisfied the performance target. No minimum vesting periods are prescribed under the Yoma PSP.

**(g) Operation of the Yoma PSP**

Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with terms of the Yoma PSP and the Articles of the Company, the Company, will deliver Shares to Participants within ten (10) Market Days after the vesting of their Awards by way of either:

- (i) an allotment and issue of New Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Remuneration Committee may deem fit; or
- (ii) delivering existing Shares to the Participant, whether such existing Shares are purchased or acquired pursuant to the share buy back mandate or (to the extent permitted by law) held as Treasury Shares and do such acts or things which are necessary for the delivery to be effective.

In determining whether to allot and issue New Shares or the delivery of existing Shares to the Participants to satisfy the Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of issuing and allotting New Shares or delivering existing Shares.

The financial effects of the above methods are discussed in section 6 below.

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

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## CIRCULAR TO SHAREHOLDERS

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

**(h) Events prior to Vesting Period**

An Award shall, to the extent not yet released, immediately lapse without any claim whatsoever against the Company:

- (i) in the event of misconduct on the part of the Participant as determined by the Remuneration Committee in its discretion;
- (ii) subject to Rule 6.2 of the Rules of Yoma PSP, upon the Participant ceasing to be in the employment of the Group for any reason whatsoever;
- (iii) 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 an Award; or
- (iv) in the event of an order being made or a resolution passed for the winding up of the Company on the basis, or by reason, of its insolvency.

In any of the following events, namely:

- (i) where the Participant, ceases to be in the employment of the Group by reason of:
  - (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Remuneration Committee);
  - (b) redundancy;
  - (c) retirement at or after the legal retirement age;
  - (d) retirement before the legal retirement age with the consent of the Remuneration Committee; or
  - (e) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company of the Group;
- (ii) the death of a Participant; or
- (iii) any other event approved by the Remuneration Committee,

then the Remuneration Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the performance period and subject to the provisions of the Yoma PSP. In exercising its discretion, the Remuneration Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the performance target(s) has been satisfied.



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## CIRCULAR TO SHAREHOLDERS

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### 4.3 Role and composition of the Remuneration Committee

In line with the Remuneration Committee's responsibilities to, *inter alia*, review and make recommendations on the remuneration of senior management, it will be designated as the committee responsible for the administration of the Yoma PSP. As at the date of this Circular, the Remuneration Committee comprises Dr. Mohd Amin Liew Abdullah, Mr. Basil Chan and Mr. Kyi Aye, all of whom are Independent Directors.

In compliance with the requirements of the Listing Manual, a Participant of the Yoma PSP who is a member of the Remuneration Committee shall not be involved in its deliberations in respect of Awards to be granted to or held by him or his Associates.

### 4.4 Adjustments and alterations under the Yoma PSP

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

- (a) the class and/or number of Shares which are the subject of Awards to the extent not yet vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Yoma PSP,

shall be adjusted in such manner as the Remuneration Committee may determine at its own discretion to be appropriate.

Unless the Remuneration Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

- (a) issue of securities as consideration for an acquisition or a private placement of securities;
- (b) 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 Listing Manual during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force;
- (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including Directors or Employees of the Company pursuant to option scheme approved by Shareholders in general meeting, including the Yoma PSP;
- (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; and
- (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

Notwithstanding the provisions of Rules of the Yoma PSP:

- (a) the adjustment must be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive; and
- (b) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be fair and reasonable.



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## CIRCULAR TO SHAREHOLDERS

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Upon any adjustment required to be made pursuant to Rules of the Yoma PSP, 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 class and/or number of Shares thereafter to be issued or transferred on the vesting of an Award. Any adjustment shall take effect upon such written notification being given.

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

- (a) no modification or alteration shall be made which would adversely affect the rights attaching to any Awards granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were released to them in full, would become entitled to not less than three-quarters in number of all the Shares which would be issued or delivered, as the case may be, upon the release of in full of all outstanding Awards;
- (b) any modifications or alteration which would be to the advantage of Participants shall not be made except with the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made except in compliance with the Listing Manual or the requirements of such other stock exchange on which the Shares are quoted or listed and such other regulatory authorities as may be necessary.

### 4.5 Disclosures

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

- (a) the names of the Remuneration Committee administering the Yoma PSP;
- (b) in respect of the following Participants:
  - (i) Directors;
  - (ii) Participants who are Controlling Shareholders and their Associates;
  - (iii) Participants other than those referred to in (b)(i) and (b)(ii) above, who have received Shares pursuant to the vesting of Awards granted under the Yoma PSP which, in aggregate, represent 5% or more of the total number of Shares available under the Yoma PSP, the following information must be disclosed:
    - (A) the name of the Participant;
    - (B) aggregate number of Shares comprised in Awards granted to such Participant during
    - (C) the financial year under review;
    - (D) aggregate number of Shares comprised in Awards granted to such Participant since the commencement of the Yoma PSP to the end of the financial year under review;
    - (E) aggregate number of Shares issued to such Participant under the Yoma PSP during the financial year under review;
    - (F) aggregate number of Share comprised in Awards which have not been vested as at the end of the financial year under review; and

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## CIRCULAR TO SHAREHOLDERS

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- (c) Participants were not required to pay for the grant of any Awards to them; and
- (d) such other information as may be required by the Listing Manual or the Companies Act.

If any of the above disclosure is not applicable, an appropriate negative statement will be included.

### 4.6 Rationale for the YSH ESOS 2012 and the Yoma PSP

The Company has undertaken a comprehensive review of employee remuneration and benefits and wishes to introduce a new compensation scheme that will increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to improve their performance. In line with this, the Company believes that the Yoma PSP will strengthen the overall effectiveness of performance-based compensation schemes.

The Yoma PSP will likely be targeted at the middle to senior management of the Group while the YSH ESOS 2012 will be available to eligible staff of the Group at all levels. Specifically, the YSH ESOS 2012 seeks to recognise the efforts and contributions of Participants who have contributed to the well-being and prosperity of the Group. The recognition accorded will help retain these essential Participants to ensure the continued success of the Group.

The Yoma PSP seeks to increase the Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate management staff. The Yoma PSP contemplates the Award of fully paid Shares when and after:

- (a) pre-determined measurable performance targets are accomplished;
- (b) due recognition is given to any good work performance; and/or
- (c) significant contribution is made to the Company or any of its subsidiaries.

For the avoidance of doubt, the Company has the flexibility to grant Awards under both the Yoma PSP as well as Options under the YSH ESOS 2012 to the same Participant, simultaneously.

### 4.7 Listing of New Shares

On 1 July 2015, the SGX-ST granted its in-principle approval ("**Approval In-Principle**") for the listing and quotation for the New Shares on the Official List of the Main Board of the SGX-ST, subject to, *inter alia*:

- (a) the Company's compliance with the SGX-ST's listing requirements and guidelines; and
- (b) Independent Shareholders' approval being obtained for the Yoma PSP.

The Approval In-Principle is not to be taken as an indication of the merits of the Yoma PSP, the New Shares, the Company and/or its Subsidiaries.

## 5. THE PROPOSED PARTICIPATIONS OF (A) MR. SERGE PUN, A CONTROLLING SHAREHOLDER; (B) MR. MELVYN PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER; AND (C) MR. CYRUS PUN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE YOMA PSP

### 5.1 Rationale and justification for participation

The objectives of the Yoma PSP are to motivate Group Employees (including Executive Directors and Non-Executive Directors (including Independent Directors) to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Company. The Company believes that the Yoma PSP may be more effective than cash bonuses in motivating employees to work towards predetermined targets and/or to put in their best efforts whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with multinational companies.

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## CIRCULAR TO SHAREHOLDERS

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As such, Controlling Shareholders or Associates of a Controlling Shareholder should be treated equally as other Employees as they are important to the development and the success of the Group. As such, they should be equally entitled to take part and benefit from the Company's fair and equitable system of remuneration.

The grant of Awards to the Controlling Shareholders and Associate of the Controlling Shareholders will, where applicable, be within the terms and framework of their respective service agreements or employment contract as well as the Yoma PSP.

### 5.2 Safeguards

As a safeguard against abuse, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders will be involved in deliberations in respect of Awards to be granted to or held by Controlling Shareholders and their Associates and the terms and conditions including the performance targets and vesting periods attached to such Awards. Specific approval of the Independent Shareholders is required for the grant of Awards to Controlling Shareholders and their Associates as well as the actual number of and terms of such Awards. In seeking such Independent Shareholders' approval, clear justification as to their participation, the number of New Shares and terms of the Awards to be granted to the Controlling Shareholders and their Associates will need to be provided. The Company is of the view that there are sufficient safeguards against abuse resulting from the participation of the Controlling Shareholders and their Associates in the Yoma PSP.

### 5.3 Rationale and justification for the proposed participation of Mr. Serge Pun, a Controlling Shareholder, in the Yoma PSP

Mr. Serge Pun is the Executive Chairman of the Group. He plays an instrumental role in the Group by identifying, negotiating and developing business opportunities for the Group especially in Myanmar. The Directors believe that Mr. Serge Pun has made and will continue to make invaluable contributions to the Group. Mr. Serge Pun plays an instrumental role in providing the Company with strong leadership and vision, assisting the Board to develop policies and strategies, and ensuring that these are implemented effectively. The Directors also believe that his set of skill and experience, having led many real estate investments in the region since 1983 and being invited to many international forums as guest speaker or panelist on subjects relating to Myanmar and ASEAN, adds to the diversity and expertise of the Board. For these reasons, the Directors consider his experience in and contribution towards the growth of the Company to be invaluable.

The Other Directors (who are not an Associate of the Controlling Shareholder) are of the view that the extension of the Yoma PSP to Mr. Serge Pun is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company. Furthermore, the Yoma PSP will spur him on to further optimize his performance standards and efficiency and to reward him for his significant contributions to the Group. Although Mr. Serge Pun has an existing shareholding interest in the Company, the extension of the Yoma PSP to him will ensure that he is equally entitled, with the other Employees who are not Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing his long term commitment to the Company. For the above reasons, the Other Directors (who are not an Associate of the Controlling Shareholder) believe that Mr. Serge Pun deserves, and should be allowed to participate in the Yoma PSP.

As at the Latest Practicable Date, Mr. Serge Pun holds direct and deemed interest in 643,833,148 Shares, representing approximately 37.22% of the total number of issued Shares and he holds Options comprising 1,495,154 unissued Shares under the YSH ESOS 2012.

Pursuant to Rule 853 of the Listing Manual, Mr. Serge Pun's participation in the Yoma PSP has to be approved by Independent Shareholders in a general meeting.

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## CIRCULAR TO SHAREHOLDERS

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Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Mr. Serge Pun and his Associates shall abstain from voting at the EGM in respect of the Yoma PSP and his participation in the Yoma PSP.

### **5.4 Rationale and justification for the proposed participation of Mr. Melvyn Pun, an Associate of the Controlling Shareholder, in the Yoma PSP**

Mr. Melvyn Pun is the son of Mr. Serge Pun and therefore, an Associate of the Controlling Shareholder

For the same reasons set out in Section 3.2 above, the Other Directors (who are not the Controlling Shareholder and an Associate of the Controlling Shareholder) feel that Mr. Melvyn Pun as the Chief Executive Officer of the Company should be equally entitled, with other employees who are not Controlling Shareholder or an Associate, to take part in and benefit from this system of remuneration, thereby enhancing his long term commitment to the Company. As such, the Other Directors (who are not the Controlling Shareholder and an Associate of the Controlling Shareholder) believe that Mr. Melvyn Pun deserves, and should be allowed to participate in the Yoma PSP.

As at the Latest Practicable Date, Mr. Melvyn Pun has no interest in any Shares.

Pursuant to Rule 853 of the Listing Manual, Mr. Melvyn Pun's participation in the Yoma PSP has to be approved by Independent Shareholders in a general meeting.

Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Mr. Melvyn Pun and his Associates shall abstain from voting at the EGM in respect of the Yoma PSP and his participation in the Yoma PSP.

### **5.5 Rationale and justification for the proposed participation of Mr. Cyrus Pun, an Associate of the Controlling Shareholder, in the Yoma PSP**

Mr. Cyrus Pun is the Executive Director and Head of Real Estate Division of the Group. He is the son of Mr. Serge Pun. He is responsible for the Group Real Estate business, strategic matters and oversees day-to-day operations and performance of the Group Real Estate Division which is the principal business division of the Group, contributing approximately 82% of the Group total revenue in FY2015. Under his leadership, the Company's real estate revenue increased substantially from approximately S\$55.3 million in the financial year ended 31 March 2013 to approximately S\$91.0 million in the financial year ended 31 March 2015 and the Company was recently named "Best Developer" at the inaugural Myanmar Property Awards held in Yangon. These Awards are part of the decade-old Asia Property Awards organised by Ensign Media, which is also the publisher of Asia's leading real estate publication Property Report magazine. The Directors believe that Mr. Cyrus Pun has made and will continue to make invaluable contributions to the Group.

The Other Directors (who are not the Controlling Shareholder and an Associate of the Controlling Shareholder) are of the view that the extension of the Yoma PSP to Mr. Cyrus Pun is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company. Furthermore, the Yoma PSP will spur him on to further optimize his performance standards and efficiency and to reward him for his significant contributions to the Group. Although Mr. Cyrus Pun has an existing shareholding interest in the Company, the extension of the Yoma PSP to him will ensure that he is equally entitled, with the other employees who are not Associates of Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing his long term commitment to the Company. For the above reasons, the Other Directors (who are not the Controlling Shareholder and an Associate of the Controlling Shareholder) believe that Mr. Cyrus Pun deserves, and should be allowed to participate in the Yoma PSP.

As at the Latest Practicable Date, Mr. Cyrus Pun holds 888,000 Shares, representing approximately 0.05% of the total number of issued Shares and he holds interest in Options comprising 1,495,154 unissued Shares under the YSH ESOS 2012.

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## CIRCULAR TO SHAREHOLDERS

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Pursuant to Rule 853 of the Listing Manual, Mr. Cyrus Pun's participation in the Yoma PSP has to be approved by Independent Shareholders in a general meeting.

Pursuant to Rule 859 of the Listing Manual, the Company shall procure that Mr. Cyrus Pun and his Associates shall abstain from voting at the EGM in respect of the Yoma PSP and his participation in the Yoma PSP.

### 6. FINANCIAL EFFECTS OF THE YOMA PSP

#### 6.1 Share capital

The Yoma PSP will result in an increase in the Company's issued Shares where New Shares are issued to Participants. The number of New Shares issued will depend on, *inter alia*, the size of the Awards granted under the Yoma PSP. In any case, the Yoma PSP provides that the total number of New Shares which may be issued pursuant to Awards granted under the Yoma PSP when aggregated with the aggregate number of Shares which may be granted under the YSH ESOS 2012 and any other share-based incentive scheme shall not exceed 10% of the total issued Shares of the Company (excluding Treasury Shares) from time to time.

#### 6.2 NTA

The grant of Award under the Yoma PSP is likely to result in a charge in the Company's profit and loss account over the period from the Award Date to the vesting date. The amount of the charge will be computed by reference to the fair value of each Award granted at the grant date in accordance with FRS 102 – Share-based Payment (“FRS 102”). If New Shares are issued to Participants pursuant to the vesting of the Awards, there will be no effect on the NTA. If existing Shares are purchased for delivery to Participants, the NTA would decrease by the cost of the Shares purchased.

However, it should be noted that the delivery of Shares to Participants of the Yoma PSP is contingent upon the Participants meeting prescribed performance targets and conditions.

#### 6.3 EPS

The Yoma PSP will have a dilutive effect on the Company's consolidated EPS following the increase in the Company's issued share capital to the extent that New Shares are issued pursuant to the Yoma PSP and a charge in the Company's profit and loss account over the period from the Award Date to the vesting date. The amount of the charge will be computed by reference to the fair value of each Award granted at the grant date in accordance with FRS 102.

Although the Yoma PSP will have a dilutive impact (to the extent that New Shares are issued pursuant to the Yoma PSP) on the EPS, it should again be noted that the delivery of Shares to Participants in respect of Awards will generally be contingent upon the Participants meeting the prescribed performance targets and conditions.

#### 6.4 Dilutive Impact

It is expected that the dilutive impact of the Yoma PSP on the NTA per Share and EPS will not be significant as this Yoma PSP provides that the aggregate number of Shares to be issued under it will be subject to the maximum limit of 10% of the Company's total issued Shares (excluding Treasury Shares) on the day Shareholders approve the Yoma PSP.

#### 6.5 Potential Cost of Awards

The Yoma PSP is considered a share-based payment that falls under the scope of FRS102, Share based payment. Participants will receive Shares and the Awards 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 an expense in the profit and loss account with a corresponding increase in a reserve account over the vesting period. The total expense to be recognised over the vesting



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## CIRCULAR TO SHAREHOLDERS

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period is determined by reference to the fair value of each Award granted on the date of the grant. Before the end of the vesting period, as at the end of each reporting period, the Company will revise its estimated number of New Shares under the Awards that are expected to become exercisable on the vesting date recognising the effect of the revision of estimates in the profit and loss account with a corresponding adjustment to the reserve account over the remaining vesting period. After the vesting date, no adjustment to the charge to the profit and loss account is made.

The expense recognised in the profit and loss account also depends on whether or not the performance target attached to an Award is measured by reference to the market price of the Shares. This is known as a “*market condition*”. If the performance target is a market condition, the probability of the performance target being met is taken into account in estimating the fair value of the Award granted at the grant date, and no adjustments to the amounts charged to the profit and loss account are made whether or not the market condition is met.

However, if the performance target is not a market condition, the fair value per share of the Awards granted at the grant date is used to compute the expense to be recognized in the profit and loss account at each reporting period end, based on an assessment at that date as to whether the non-market conditions would be met to enable the Awards to vest. Thus, where the vesting conditions do not include a market condition, there would be no charge to the profit and loss account if the Awards do not ultimately vest.

### **7. THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000 SIGN-ON SHARES TO MR. MELVYN PUN**

#### **7.1 Introduction**

The Service Agreement dated 22 May 2015 between the Company and Mr. Melvyn Pun provided for the allotment and issue of 2,000,000 new Shares to Mr. Melvyn Pun, for a nominal consideration of S\$1, credited as fully-paid (the “**Sign-On Shares**”). As at the date of the Service Agreement, the closing price of the Shares was S\$0.51 per Share and based on this closing price, the value of the Sign-On Shares amount to S\$1,020,000.

Assuming that the Independent Shareholders approve the allotment and issue of the Sign-On Shares to Mr. Melvyn Pun, the Sign-On Shares represent 0.12% of the enlarged issued and paid up capital of the Company as at the Latest Practicable Date.

#### **7.2 Rationale**

Mr. Melvyn Pun is an experienced finance professional who had worked in Goldman Sachs for twelve (12) years and was the Managing Director and the Head of Asia (Ex-Japan) Corporate Solutions Group, Securities Division in Goldman Sachs (Asia) L.L.C. With his extensive financial and corporate experience in various markets across Asia such as Greater China, Southeast Asia and Korea, the Board believes that he will add further value to the Group. Mr Melvyn Pun graduated from Cambridge University in 2000 with a Bachelor of Arts (First Class Honours), Masters of Engineering and Masters of Arts.

He was appointed as an alternate Director to Mr. Serge Pun in 2012 for succession planning. That enabled him to learn about the businesses of the Group and understudy the CEO and yet at the same time, the Board continued to maintain a majority of independence.

The leadership of Mr. Melvyn Pun will be critical as the Group embarks on its next phase of growth to diversify by building on its non-real estate businesses particularly in the automotive and consumer businesses to match the scale of the real estate operations by 2020.\* The Other Directors (who are not the Controlling Shareholder and an Associate of the Controlling Shareholder) are of the view that Mr. Melvyn Pun will bring to the Group his broad experiences and skill sets which would add further value to the Group.

\* Please refer to the CEO's Statement in the Company's annual report for FY2015.

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## CIRCULAR TO SHAREHOLDERS

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### 7.3 Restriction on Disposal

Mr. Melvyn Pun has agreed not to dispose of or transfer any interest in the Sign-On Shares at any time on or before the second (2<sup>nd</sup>) anniversary of the date of allotment and issue of the Sign-On Shares. Information on the date of allotment and issue of the Sign-On Shares will be disclosed in an announcement to Shareholders.

### 7.4 Independent Shareholders' Approval

Pursuant to Rule 804 of the Listing Manual, the approval of Independent Shareholders is required for the allotment and issue of the Sign-On Shares to Mr. Melvyn Pun at a general meeting.

### 7.5 Listing Approval

On 1 July 2015, the SGX-ST has given its in-principle approval for the listing of and quotation for the Sign-On shares, subject to the following:-

- (a) the Company's compliance with the SGX-ST's listing requirements and guidelines; and
- (b) Shareholders' approval for the proposed allotment and issue of the Sign-On Shares.

The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Sign-On Shares, the Company and/or its Subsidiaries.



## CIRCULAR TO SHAREHOLDERS

### 8. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and the Substantial Shareholders of the Company as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained under the provisions of the Companies Act are as follows:–

	Direct Interest		Deemed Interest		Shares comprised in an option <sup>(3)</sup>
	No. of Shares	% of total issued Shares (%)	No. of Shares	% of total issued Shares (%)	
<b>Directors</b>					
Mr. Serge Pun	444,936,358 <sup>(1)</sup>	25.72	198,896,790 <sup>(2)</sup>	11.50	1,495,154
Mr. Pun Chi Yam Cyrus	888,000	0.05	–	–	1,495,154
Mr. Andrew Jonathan Rickards	11,777,333	0.68	–	–	5,667,000
Mr. Adrian Chan Pengee	221,333	0.0128	–	–	374,348
Mr. Basil Chan	221,333	0.0128	–	–	374,348
Mr. Kyi Aye	221,333	0.0128	–	–	374,348
Dato Dr. Mohd Amin Liew Abdullah	221,333	0.0128	–	–	374,348
Mr. Pun Chi Tung Melvyn	–	–	–	–	–
<b>Substantial Shareholders</b>					
Mr. Serge Pun	444,936,358	25.72	198,896,790	11.50	1,495,154
Aberdeen Asset Management PLC <sup>(4)</sup>	–	–	158,034,725	9.13	–
Aberdeen Asset Management Asia Limited <sup>(4)</sup>	–	–	158,034,725	9.13	–
The Capital Group Companies, Inc. <sup>(5)</sup>	–	–	138,931,503	8.03	–
Capital Research and Management Company <sup>(5)</sup>	–	–	138,931,503	8.03	–
Capital Group International, Inc. <sup>(5)</sup>	–	–	138,931,503	8.03	–
Eaton Vance Corp. <sup>(6)</sup>	–	–	64,876,000 *	5.02	–
Eaton Vance Management <sup>(6)</sup>	–	–	64,876,000 *	5.02	–
Boston Management and Research <sup>(6)</sup>	–	–	65,389,000 *	5.06	–

Notes:

- (1) 444,573,332 shares are held through nominee companies.
- (2) Mr. Serge Pun is deemed interested in (a) 896,790 shares held by Pun Holdings Pte Ltd and (b) 198,000,000 shares held by Pun Holdings Investments Limited. Pun Holdings Pte Ltd is 100% owned by Mr. Serge Pun and Pun Holdings Investments Limited is a 100% subsidiary of Pun Holdings Pte Ltd.
- (3) The options were granted pursuant to the Yoma Strategic Holdings Employees Share Option Scheme 2012.
- (4) Aberdeen Asset Management PLC is the parent company of Aberdeen Asset Management Asia Limited ("AAMAL"). AAMAL acts as an investment manager for various clients/funds and has the power to exercise, or control the exercise of, a right to vote attached to the securities and has the power to dispose of, or control the disposal of, the securities. The registered holder(s) of the securities is the client's or fund's custodian.

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## CIRCULAR TO SHAREHOLDERS

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- (5) The Capital Group Companies, Inc. (“CGC”) is the parent company of Capital Research and Management Company (“CRMC”). CRMC is a U.S.-based investment management company that manages the American Funds family of mutual funds. CRMC manages equity assets for various investment companies through three divisions, Capital Research Global Investors, Capital International Investors and Capital World Investors. CRMC in turn is the parent company of Capital Group International, Inc. (“CGII”), which in turn is the parent company of five investment management companies (“CGII management companies”): Capital Guardian Trust Company, Capital International, Inc., Capital International Limited, Capital International Sàrl and Capital International K.K. The CGII management companies primarily serve as investment managers to institutional clients.

Neither CGC nor any of its affiliates own shares of Yoma Strategic Holdings Ltd. (the “Company”) for its own account. Rather, the shares reported are owned by accounts under the discretionary investment management of one or more of the investment management companies described in its notification of substantial shareholdings in the Company.

Holdings of the CGII management companies are as follow: Capital Guardian Trust Company (25,491,235 voting shares), Capital International, Inc. (70,659,483 voting shares), Capital International Limited (1,347,000 voting shares) and Capital International Sàrl (41,433,785 voting shares). The said shares are managed by the CGII management companies in exercise of the investment management discretion vested in them in their respective capacities as investment managers to institutional clients.

As CGII is the holding company of the CGII management companies, CGII has a deemed interest in an aggregate of 138,931,503 voting shares in the Company. As CRMC is the parent company of CGII, in accordance with Sections 4(4) and 4(5) of the Securities and Futures Act, Chapter 289 of Singapore (“SFA”), CRMC has a deemed interest in the said 138,931,503 voting shares in the Company managed by the CGII management companies.

For the reasons stated, CRMC has a total deemed interest of 138,931,503 voting shares in the Company, which constitutes approximately 8.03% of the total number of voting shares (excluding treasury shares) in the Company.

As CGC is the parent company of CRMC, pursuant to Sections 4(4) and 4(5) of the SFA, CGC is deemed interested in the total interest of CRMC of 138,931,503 shares (8.03%).

- (6) Eaton Vance Corp. (“EVC”) is the parent company of multiple fund managers, including Eaton Vance Management (“EVM”) and Boston Management and Research (“BMR”). EVM is a wholly owned subsidiary of EVC. BMR is a 99.9% owned subsidiary of EVM. EVM and BMR are managers of certain funds that own in the aggregate more than 5% of the outstanding securities of Yoma Strategic Holdings Ltd. EVC, through the funds managed by its subsidiaries, has the power to exercise, or control the exercise of, a right to vote attached to the securities and has the power to dispose of, or control the disposal of, the securities.

\* Company’s Note:-

Notifications of substantial shareholdings in Yoma Strategic Holdings Ltd. (the “Company”) by EVC, EVM and BMR were made based on their acquisitions of shares in the Company in October 2014, prior to the Company’s rights issue completed on 09/02/2015.

Save as disclosed above, none of the Directors has any direct interest in the share capital of the Company or any of its subsidiaries.

## 9. DIRECTORS’ RECOMMENDATIONS

### 9.1 Proposed Amendment to the YSH ESOS 2012

All the Directors are entitled to participate in the YSH ESOS 2012 and hence, they have abstained from making any recommendation to Shareholders in respect of the proposed amendment to the YSH ESOS 2012.

### 9.2 Proposed Participation of Mr. Melvyn Pun in the YSH ESOS 2012

All the Directors are entitled to participate in the YSH ESOS 2012 and hence, they have abstained from making any recommendation to Shareholders in respect of the proposed participation of Mr. Melvyn Pun in the YSH ESOS 2012.

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## CIRCULAR TO SHAREHOLDERS

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### 9.3 Proposed Grant of An Option to Mr. Melvyn Pun

For the reasons stated in Section 3.2 above, the Other Directors (save for Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun) are of the opinion that the proposed grant of options to Mr. Melvyn Pun will be in the interest of the Company and Shareholders. Accordingly, they recommend that Independent Shareholders vote in favour of Ordinary Resolution 3.

### 9.4 Proposed Yoma PSP

All of the Directors are eligible to participate in, and are therefore interested in, the Yoma PSP. Accordingly, the Directors have abstained from making any recommendation to Shareholders in respect of the Yoma PSP.

### 9.5 Proposed Participations of the Yoma PSP by Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun in the Yoma PSP

All the Directors are entitled to participate in the YSH ESOS 2012 and hence, they have abstained from making any recommendation to Shareholders in respect of the proposed participations of Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun in the Yoma PSP.

### 9.6 Proposed Allotment and Issue of Sign-On Shares to Mr. Melvyn Pun

For the reasons stated in Section 7.2 above, the Other Directors (save for Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun) are of the opinion that the proposed allotment and issue of Sign-On Shares to Mr. Melvyn Pun will be in the interest of the Company and Shareholders. Accordingly, they recommend that Independent Shareholders vote in favour of Ordinary Resolution 8.

## 10. EXTRAORDINARY GENERAL MEETING

The EGM, notice which is set out on pages 43 of this Circular will be held on 27 July 2015, at 3.30 p.m. (or at such time immediately following the conclusion of the annual general meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178, for the purpose of considering and, if thought fit, passing the ordinary resolutions set out in the Notice of EGM.

As stipulated under Section 130D of the Companies Act, a Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register not less than 48 hours before the time appointed for the EGM.

## 11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the office of the registered office of the Company at, 78 Shenton Way, #32-00, Singapore 079120 not later than 3.30 p.m. on 25 July 2015, not less than 48 hours before the time fixed for the EGM. The completion and lodgement of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy if he so wishes.

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## **CIRCULAR TO SHAREHOLDERS**

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### **12. ABSTENTION FROM VOTING**

#### **12.1 Proposed Amendment to the YSH ESOS 2012**

All Shareholders including Directors who are entitled to participate in the YSH ESOS 2012 shall abstain from voting in respect of Ordinary Resolution 1 relating to the proposed amendment to the YSH ESOS 2012. The Company will also procure that such Shareholders and their Associates will decline to accept appointment as proxies for Shareholders to vote on Ordinary Resolution 1 unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 1.

#### **12.2 Proposed Yoma PSP**

All Shareholders including Directors who are entitled to participate in the Yoma PSP shall abstain from voting in respect of Ordinary Resolution 4 relating to the adoption of the Yoma PSP. The Company will also procure that such Shareholders and their Associates will decline to accept appointment as proxies for Shareholders to vote on Ordinary Resolution 4 unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 4.

#### **12.3 Proposed Participations of the Controlling Shareholders and its Associates in the YSH ESOS 2012 and the Yoma PSP**

Ordinary Resolutions 2, 5, 6 and 7 relate to the proposed participation of Mr. Melvyn Pun in the YSH ESOS 2012 and the proposed participations of Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun respectively in the Yoma PSP. Each of Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun shall abstain from voting in respect of Ordinary Resolutions 2, 5, 6 and 7. The Company will also procure that each of them and their Associates will decline to accept appointment as proxies for Shareholders to vote on Ordinary Resolutions 2, 5, 6 and 7 unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolutions 2, 5, 6 and 7.

#### **12.4 Proposed Allotment and Issue of Sign-On Shares to Mr. Melvyn Pun**

Mr. Serge Pun, Mr. Melvyn Pun and Mr. Cyrus Pun shall abstain from voting in respect of Ordinary Resolution 8 relating to the proposed allotment and issue of the Sign-On Shares to Mr. Melvyn Pun. The Company will also procure that they and their Associates will decline to accept appointment as proxies for Shareholders to vote on Ordinary Resolution 8 unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 8.

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

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

### **14. ADDITIONAL INFORMATION**

Your attention is also drawn to the additional information set out in Appendix 1 and Appendix 2 to this Circular.

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## CIRCULAR TO SHAREHOLDERS

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### 15. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the following documents will be made available for inspection during normal business hours at the principal office of the Company at 78 Shenton Way, #32-00, Singapore 079120, from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of the Company;
- (b) the annual report of the Company for FY2015;
- (c) the rules of the YSH ESOS 2012; and
- (d) the Rules of the Yoma PSP.

Yours faithfully

For and on behalf of the Board of Directors of  
**Yoma Strategic Holdings Ltd.**

**Mr. Serge Pun**  
Executive Chairman

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## APPENDIX 1 : PROPOSED AMENDMENT TO THE RULES OF YSH ESOS 2012

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- (a) The amendment to Rule 5 of the existing YSH ESOS 2012 is to replace the words and numeric figure “fifteen per cent. (15%)” with the words and numeric figure “ten per cent. (10%)”.
- (b) The new Rule 5 is reproduced as follows:-

**“5. LIMITATIONS UNDER THE YSH ESOS 2012**

The aggregate number of Shares over which the Committee may grant Options on any date, when added to the number of Shares issued and issuable in respect of all Options granted under the YSH ESOS 2012 and any other share-based incentive schemes of the Company, shall not exceed ten per cent. (10%) of the issued share capital of the Company (excluding treasury shares) from time to time.”

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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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### 1. YOMA PERFORMANCE SHARE PLAN

The Yoma Performance Share Plan shall mean the share performance herein, as modified or altered from time to time and share be referred to as the Yoma PSP.

### 2. DEFINITIONS

In this Yoma PSP, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act” or “Companies Act”** : Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- “Articles”** : The articles of association of the Company
- “Associate”** : (a) in relation to any Director, Chief Executive Officer of the Company, a Substantial Shareholder or a Controlling Shareholder (being an individual) means:
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Auditors”** : The auditors of the Company for the time being
- “Award”** : A contingent award of Shares granted under the Yoma PSP
- “Award Date”** : In relation to an Award, the date on which the Award is granted
- “Board” or “Directors”** : The board of directors or directors of the Company, including alternate directors of the Company (if any) for the time being
- “CDP”** : The Central Depository (Pte) Limited
- “Chief Executive Officer”** : The most senior executive officer who is responsible under the immediate authority of the Board for the conduct of the business of the Company
- “Company”** : Yoma Strategic Holdings Ltd.
- “Control”** : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company



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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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<b>“Controlling Shareholder”</b>	: A person who: <ul style="list-style-type: none"><li>(a) holds directly or indirectly 15% or more of the nominal amount of all voting Shares in the Company (unless the SGX-ST determines that such a person is not a Controlling Shareholder of the Company); or</li><li>(b) in fact exercises Control over the Company</li></ul>
<b>“CPF”</b>	: Central Provident Fund
<b>“Employee”</b>	: A confirmed employee of the Group selected by the Remuneration Committee to participate in the Yoma PSP, in accordance with the terms and conditions set out herein
<b>“Executive Director”</b>	: A Director who is an Employee of the Group and performs an executive function
<b>“Group”</b>	: The Company and its Subsidiaries, collectively
<b>“Group Employee”</b>	: An employee of the Group (including any Executive Director, any Director who is a Controlling Shareholder and any Director who is an Associate of a Controlling Shareholder) selected by the Remuneration Committee to participate in the Yoma PSP in accordance with Rule 4.1
<b>“Immediate Family”</b>	: In relation to a person means the person’s spouse, child, adopted child, step-child, sibling and parent
<b>“Independent Director”</b>	: An independent director of the Company
<b>“Listing Manual”</b>	: The SGX-ST Listing Manual
<b>“Market Day”</b>	: A day on which the SGX-ST is open for trading in securities
<b>“New Shares”</b>	: Shares issued to the Participants pursuant to the Yoma PSP
<b>“Non-Executive Directors”</b>	: A Director who is not an Executive Director, including any Independent Director
<b>“Participant”</b>	: The person(s) who has been granted an Award pursuant to the Yoma PSP
<b>“Yoma PSP”</b>	: The proposed share performance plan, as modified or altered from time to time
<b>“Record Date”</b>	: In relation to any dividends, rights allotment or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
<b>“Released Award”</b>	: An Award which has been released in accordance with Rule 7

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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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- “Released Schedule”** : In relation to an Award, a schedule in such form as the Remuneration Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the performance target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period
- “Remuneration Committee”** : The remuneration committee of the Company for the time being
- “Securities Account”** : A securities account maintained by a Depositor with CDP but does not include a securities sub-account
- “SGX-ST”** : Singapore Exchange Securities Trading Limited
- “Shareholders”** : Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors in the Depository Register maintained by the CDP and whose Securities Accounts are credited with those Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
- “Shares”** : Ordinary shares in the capital of the Company
- “Subsidiary”** : Has the meaning ascribed to it in Section 5 of the Act
- “Substantial Shareholder”** : A person who has an interest (directly or indirectly) of 5% or more of the total issued share capital of the Company
- “Treasury Share”** : (a) A Share which was (or is treated as having been) purchased by a company in circumstances in which Section 76H of the Companies Act applies; and  
(b) has been held by the company continuously since the treasury share was so purchased
- “Vesting Date”** : In relation to Shares which are the subject of a Released Award, the date (as determined by the Remuneration Committee and notified to the relevant Participant) on which those Shares have vested pursuant to Rule 7
- Currencies, Units and Others**
- “S\$” and “cents” or “¢”** : Singapore dollars and cents, respectively
- “%” or “per cent.”** : Percentage or per centum

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively by Section 130A of the Act.

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

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

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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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Any reference to a time of day in this Yoma PSP shall be a reference to Singapore time unless otherwise stated.

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

### 3. OBJECTIVES OF THE YOMA PSP

The Yoma PSP is a share incentive scheme which will allow the Company, *inter alia*, to target specific performance objectives and to provide an incentive for Participants to achieve these targets. The Directors believe that the new Yoma PSP will incentivise Participants to excel in their performance and encourage greater dedication and loyalty to the Company and also help to achieve the following positive objectives:

- (a) incentivise Employees to excel in their performance and encourage greater dedication and loyalty to the Company;
- (b) attract and retain Employees whose contributions are important to the long-term growth and profitability of the Group;
- (c) recognise and reward past contributions and services and motivate Employees to continue to strive for the Group's long-term prosperity; and
- (d) develop a participatory style of management which instills loyalty and a stronger sense of identification with the long-term goals of the Group.

### 4. ELIGIBILITY

4.1 Persons who are eligible to participate in the Yoma PSP must be:

- (a) Group Employees
  - (i) confirmed full-time employees of the Company and/or its Subsidiaries who have attained the age of 21 years on or before the date of Award and are not undischarged bankrupts and have not entered into a composition with their respective creditors;
  - (ii) Executive Directors, including Directors who are Controlling Shareholders and Directors who are Associates of Controlling Shareholders; and
- (b) Non-Executive Directors including Independent Directors.

4.2 Save as prescribed by Rule 853 of the Listing Manual, there shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented or to be implemented by the Company.

4.3 Subject to any requirements of the SGX-ST, the terms of eligibility for participation in the Yoma PSP may be amended from time to time at the absolute discretion of the Remuneration Committee.

### 5. GRANT OF AWARDS

5.1 Subject as provided in Rule 8, the Remuneration Committee may grant Awards to Employees, as the Remuneration Committee may select, in its absolute discretion, at any time during the period when the Yoma PSP is in force.

5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Yoma PSP shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, *inter alia*, the rank, scope of responsibilities, performance, years of service and potential for future development and the extent of effort and resourcefulness with which the performance target(s) may be achieved within the

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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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performance period. Based on the proposal of the management of the Company, the performance targets will be decided by the Remuneration Committee depending on each individual Participant's job scope and responsibilities.

- 5.3 The Remuneration Committee shall decide in relation to an Award:
- (a) the Employee;
  - (b) the Award Date;
  - (c) the performance period;
  - (d) the number of Shares which are the subject of the Award;
  - (e) the vesting period;
  - (f) the performance target(s) which shall be set according to the specific roles of each Participant, and which may differ from Participant to Participant;
  - (g) the Released Schedule; and
  - (h) any other condition which the Remuneration Committee may determine in relation to that Award.
- 5.4 The Remuneration Committee may amend or waive the performance period, the performance target(s) and/or the Released Schedule in respect of any Award:
- (a) in the event of a take-over offer being made for the Shares or if Shareholders or under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
  - (b) if anything happens which causes the Remuneration Committee to conclude that:
    - (i) a changed performance target(s) and/or Released Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
    - (ii) the performance target(s) and/or Released Schedule should be waived, and shall notify the Participants of such change or waiver.
- 5.5 As soon as reasonably practicable after making an Award the Remuneration Committee shall send to each Participant an award letter confirming the Award and specifying in relation to the Award:
- (a) the Award Date;
  - (b) the performance period;
  - (c) the number of Shares which are the subject of the Award;
  - (d) the vesting period;
  - (e) the performance target(s);
  - (f) the Released Schedule; and
  - (g) any other condition which the Remuneration Committee may determine in relation to that Award.

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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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- 5.6 Participants are not required to pay for the grant of Awards.
- 5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Remuneration Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Remuneration Committee, that Award or Released Award shall immediately lapse.

### 6. EVENTS PRIOR TO THE VESTING PERIOD

- 6.1 An Award shall, to the extent not yet released, immediately lapse without any claim whatsoever against the Company:
- (i) in the event of misconduct on the part of the Participant as determined by the Remuneration Committee in its discretion;
  - (ii) subject to Rule 6.2, upon the Participant ceasing to be in the employment of the Group for any reason whatsoever;
  - (iii) 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 an Award; or
  - (iv) in the event of an order being made or a resolution passed for the winding up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 6.1(b), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date, or where the Participant is a Non-Executive Director, the Participant shall be deemed to have ceased to be a Non-Executive Director as at the date of his notice of resignation or the cessation of his appointment, whichever is earlier. Further, for the purpose of determining eligibility to participate in the Yoma PSP, the secondment of an employee of the Group to another company within the Group shall not be regarded as a break in his employment with or his having ceased by reason only of such secondment to be a full-time employee of the Group (as applicable).

- 6.2 In any of the following events, namely:
- (a) where the Participant, ceases to be in the employment of the Group by reason of:
    - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Remuneration Committee);
    - (ii) redundancy;
    - (iii) retirement at or after the legal retirement age;
    - (iv) retirement before the legal retirement age with the consent of the Remuneration Committee; or
    - (v) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company of the Group;
  - (b) the death of a Participant; or
  - (c) any other event approved by the Remuneration Committee,

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## **APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN**

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then the Remuneration Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the performance period and subject to the provisions of the Yoma PSP. In exercising its discretion, the Remuneration Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the performance target(s) has been satisfied.

- 6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:
- (a) a take-over offer for the Shares becomes or is declared unconditional;
  - (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by shareholders of the Company and/or sanctioned by the applicable courts under applicable legislation; or
  - (c) an order being made or a resolution being passed for the winding up of the Company (other than as provided in Rule 6.1(d) or for amalgamation or reconstruction),

the Remuneration Committee will consider, at its discretion, and subject to any legal or regulatory requirements, whether or not to release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Remuneration Committee decides to release any Award, then in determining the number of Shares to be vested in respect of such Award, the Remuneration Committee will have regard to the proportion of the performance period which has elapsed and the extent to which the performance target(s) has been satisfied and any legal or regulatory requirements, provided that any Awards not released prior to commencement of the winding up of the Company (whether voluntary or by order of court) shall, upon commencement of such winding up be null and void. Subject to the foregoing, where Awards are released, the Remuneration Committee will, as soon as practicable after the Awards have been released, procure the allotment to each Participant of the number of Shares so determined, such allotment to be made in accordance with Rule 7.

### **7. RELEASE OF AWARDS**

- 7.1 As soon as reasonably practicable after the end of each performance period, the Remuneration Committee, in consultation with the management of the Company, shall review the performance target(s) specified in respect of that Award and determine whether they have been satisfied and, if so, the extent to which they have been satisfied (whether fully or partially) and the number of Shares to be released.

Awards may only be released and consequently any Shares comprised in such Awards shall only be delivered upon the Remuneration Committee being satisfied that the Participant has achieved or fulfilled the relevant performance target(s), performance conditions, the Released Schedule and/or vesting period(s) applicable for the release of the Award and/or all or any of the Shares to which that Award relates and/or such other conditions as the Remuneration Committee may determine at its own sole discretion.

- 7.2 If the Remuneration Committee determines in its sole discretion that the performance target(s) has not been satisfied or if the relevant Participant has not continued to be an employee of the Group from the Award Date up to the end of the relevant performance period that Award (subject to Rule 6) shall lapse and be of no value and the provisions of Rules 7.2 to 7.10 shall be of no effect.

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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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- 7.3 The Remuneration Committee shall have the discretion to determine whether the performance target(s) has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Remuneration Committee shall have the right to make reference to the audited results of the Group or the Company, as the case may be, to take into account such factors as the Remuneration Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the performance target(s) if the Remuneration Committee decides that a changed performance target would be a fairer measure of performance.
- 7.4 Subject to the prevailing legislation and the provisions of the Listing Manual, the Company will deliver Shares to Participants upon vesting of their Awards by way of an issue of New Shares or the transfer of Shares to the Participant.
- 7.5 In determining whether to issue New Shares or to transfer Shares held as Treasury Shares to satisfy the Award, the Company will have the right to take into account factors such as but not limited to the number of Shares to be delivered, the prevailing market price of the Shares, the financial effect on the Company of either issuing New Shares or transferring Shares held as Treasury Shares.
- 7.6 The Remuneration Committee will procure, upon the Board's approval therefore, the allotment or transfer to each Participant of the number of Shares which are to be released to that Participant pursuant to an Award under Rule 5. Any proposed issue of New Shares will be subject to there being in force at the relevant time the requisite Shareholders' approval under the Act for the issue of Shares. Any allotment of New Shares pursuant to an Award will take into account the rounding of odd lots.
- 7.7 Where New Shares are to be allotted or any Shares are to be transferred to a Participant pursuant to the release of any Award, the Vesting Date will be a trading day falling as soon as practicable after the review by the Remuneration Committee referred to in Rule 7.1. Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the Yoma PSP and the Articles of the Company, the Company shall, within ten (10) Market Days after the vesting of an Award, allot and issue the relevant Shares and despatch 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.
- 7.8 The Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares on the SGX-ST.
- 7.9 Shares which are allotted or transferred on the release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of either:
- (a) the Securities Account of that Participant maintained with CDP; or
  - (b) the securities sub-account of that Participant maintained with a Depository Agent; or
  - (c) the CPF investment account maintained with a CPF agent bank, in each case, as designated by that Participant. Until such issue or transfer of such Shares has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.



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## APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN

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7.10 New Shares allotted and issued, and existing Shares held in treasury procured by the Company for transfer, on the release of an Award shall:

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

### 8. LIMITATION ON THE SIZE OF THE YOMA PSP

8.1 The total number of New Shares which may be issued pursuant to Awards granted under the Yoma PSP when aggregated with the aggregate number of Shares which may be granted under the YSH ESOS 2012 and any other share-based incentive scheme shall not exceed 10% of the total issued Shares of the Company (excluding Treasury Shares) from time to time.

8.2 The following additional limits must not be exceeded:–

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

8.3 The total number of New comprised in Awards to be granted to Non-Executive Directors (including Independent Directors) shall not exceed 3% of the Shares available under the Yoma PSP.

8.4 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Remuneration Committee under the Yoma PSP.

### 9. ADJUSTMENT EVENTS

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

- (a) the class and/or number of Shares which are the subject of Awards to the extent not yet vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Yoma PSP, shall be adjusted in such manner as the Remuneration Committee may determine at its own discretion to be appropriate.

9.2 Unless the Remuneration Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

- (a) issue of securities as consideration for an acquisition or a private placement of securities;
- (b) 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;
- (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares, to its employees, including Directors or Employees of the Company pursuant to a purchase or option scheme approved by Shareholders in general meeting, including the Yoma PSP;

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## **APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN**

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- (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; and
- (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

### 9.3 Notwithstanding the provisions of Rule 9.1:

- (a) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be fair and reasonable; and
- (b) the adjustment must be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.

### 9.4 Upon any adjustment made, 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 class and/or number of Shares thereafter to be issued pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

### 9.5 Subject to the Rules, the Yoma PSP may be modified and/or altered at any time and from time to time by a resolution of the Remuneration Committee provided that:

- (a) no modification or alteration shall be made which would adversely affect the rights attaching to any Awards granted prior to such modification or alteration except with the consent in writing of such number of Yoma PSP Participants who, if their Awards were released to them in full, would become entitled to not less than three-quarters in number of all the Shares which would be issued or delivered, as the case may be, upon the release in full of all outstanding Awards;
- (b) any modifications or alteration which would be to the advantage of Participants shall not be made except with the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made except in compliance with the Listing Manual or the requirements of such other stock exchange on which the Shares are quoted or listed and such other regulatory authorities as may be necessary.

## **10. ADMINISTRATION OF THE YOMA PSP**

### 10.1 The Yoma PSP shall be administered by the Remuneration Committee in its absolute discretion with such powers and duties as are conferred on it by the Board provided that a member of the Remuneration Committee who is a Participant shall not be involved in the deliberations of the Remuneration Committee in respect of the Awards to be granted to him in compliance with the requirements of the Listing Manual.

### 10.2 The Remuneration Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Yoma PSP) for the implementation and administration of the Yoma PSP, to give effect to the provisions of the Yoma PSP and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Yoma PSP and any dispute and uncertainty as to the interpretation of the Yoma PSP, any rule, regulation or procedure thereunder or any rights under the Yoma PSP shall be determined by the Remuneration Committee. The Remuneration Committee may delegate to officers or employees of the Company and to service providers, the authority, subject to such terms as the Remuneration Committee may determine, to administer and effect the Yoma PSP.

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## **APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN**

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- 10.3 Neither the Yoma PSP nor the grant of Awards under the Yoma PSP shall impose on the Company or the Remuneration Committee or any of its members any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Yoma PSP;
  - (b) the failure or refusal by the Remuneration Committee to exercise, or the exercise by the Remuneration Committee of, any discretion under the Yoma PSP; and/or
  - (c) any decision or determination of the Remuneration Committee made pursuant to any provision of the Yoma PSP.
- 10.4 Any decision or determination of the Remuneration Committee made pursuant to any provision of the Yoma PSP (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Yoma PSP or any rule, regulation or procedure hereunder or as to any rights under the Yoma PSP). The Remuneration Committee shall not be required to furnish any reasons for any decision or determination made by it.

### **11. NOTICES AND COMMUNICATIONS**

- 11.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses or facsimile number, and marked for the attention of the Remuneration Committee, as may be notified by the Company to the Participant in writing.
- 11.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Remuneration Committee (or such person or persons as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address according to the records of the Company.
- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

### **12. MODIFICATIONS TO THE YOMA PSP**

- 12.1 Any or all the provisions of the Yoma PSP may be modified and/or altered at any time and from time to time by resolution of the Remuneration Committee, except that:
- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were released to them upon the performance target(s) for their Awards being satisfied in full, would become entitled to not less than three-quarters in number of all the Shares which would fall to be vested upon release of all outstanding Awards upon the performance target(s) for all outstanding Awards being satisfied in full;
  - (b) any modifications or alteration which would be to the advantage of Participants shall not be made except with the prior approval of the Shareholders in general meeting; and

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## **APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN**

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- (c) no modification or alteration shall be made except in compliance with the Listing Manual or the requirements of such other stock exchange on which the Shares are quoted or listed and such other regulatory authorities as may be necessary. For the purposes of Rule 12.1(a), the opinion of the Remuneration Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 12.1 shall affect the right of the Remuneration Committee under any other provision of the Yoma PSP or to adjust any Award.

- 12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Remuneration Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Yoma PSP in any way to the extent necessary or desirable, in the opinion of the Remuneration Committee, to cause the Yoma PSP to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST or such other stock exchange on which the Shares are quoted or listed).
- 12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants.

### **13. TERMS OF EMPLOYMENT UNAFFECTED**

The terms of employment of a Participant shall not be affected by his participation in the Yoma PSP, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

### **14. DURATION OF THE YOMA PSP**

- 14.1 The Yoma PSP shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which the Yoma PSP is adopted by the Company in general meeting, provided always that the Yoma PSP 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.
- 14.2 The Yoma PSP may be terminated at any time at the discretion of the Remuneration Committee, or by an ordinary resolution passed by the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Yoma PSP is so terminated; no further Awards shall be offered by the Company hereunder.
- 14.3 Notwithstanding the expiry or termination of the Yoma PSP, any Awards made to Participants prior to such expiry or termination will continue to remain valid.

### **15. TAXES**

All taxes (including income tax) arising from the grant or release of any Awards to any Participants under the Yoma PSP shall be borne by the Participants.

### **16. COSTS AND EXPENSES OF THE YOMA PSP**

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

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## **APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN**

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16.2 Save for the taxes referred to in Rule 15 and such other costs and expenses expressly provided in the Yoma PSP to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Yoma PSP including, but not limited to, the fees, costs and expenses relating to the allotment and issue of Shares pursuant to the release of any Award shall be borne by the Company.

### **17. DISCLAIMER OF LIABILITY**

Notwithstanding any provisions herein contained, the Remuneration Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing or procuring the transfer of, the Shares or applying for or procuring the listing of New Shares on the Listing Manual in accordance with Rule 7.8 or any other stock exchange on which the Shares are listed or quoted.

### **18. DISCLOSURES IN ANNUAL REPORT**

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

- (a) The names of the Remuneration Committee administering the Yoma PSP;
- (b) In respect of the following Participants of the Yoma PSP:
  - (i) Directors;
  - (ii) Participants who are Controlling Shareholders and their Associates;
  - (iii) Participants other than those referred to in Rule 18.1(b)(i) and 18.1(b)(ii) above, who have received Shares pursuant to the vesting of Awards granted under the Yoma PSP which, in aggregate, represent 5% or more of the total number of Shares available under the Yoma PSP, the following information will be disclosed:
    - (A) the name of the Participant;
    - (B) aggregate number of Shares comprised in Awards granted to such Participant during the financial year under review;
    - (C) aggregate number of Shares comprised in Awards granted to such Participant since the commencement of the Yoma PSP to the end of the financial year under review;
    - (D) aggregate number of Shares issued to such Participant under the Yoma PSP during the financial year under review; and
    - (E) aggregate number of Share comprised in Awards which have not been vested as at the end of the financial year under review; and
- (c) Participants were not required to pay for the grant of any Awards to them; and
- (d) such other information as may be required by the Listing Manual or the Companies Act. If any of the above disclosure is not applicable, an appropriate negative statement will be included.

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## **APPENDIX 2 : PROPOSED RULES OF THE YOMA PERFORMANCE SHARE PLAN**

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### **19. DISPUTES**

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

### **20. ISSUE CONTRARY TO LAW**

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

### **21. GOVERNING LAW**

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

### **22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, (CHAPTER 53B)**

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

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **Yoma Strategic Holdings Ltd.**

(Company Registration No. 196200185E)  
(Incorporated in the Republic of Singapore)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the Circular dated 10 July 2015 (“Circular”) issued by Yoma Strategic Holdings Ltd.*

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of YOMA STRATEGIC HOLDINGS LTD. (the “**Company**”) will be held at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178 on 27 July 2015 at 3.30 p.m. (or at such time immediately following the conclusion of the annual general meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any amendment the following resolutions:

#### **ORDINARY RESOLUTION 1: THE PROPOSED AMENDMENT TO THE YSH ESOS 2012**

THAT the amendment to the rules of the YSH ESOS 2012, details of which are set out in the Circular, be and are hereby approved and the Directors of the Company be and are hereby authorised to amend the YSH ESOS 2012 to give effect to this resolution.

#### **ORDINARY RESOLUTION 2: THE PROPOSED PARTICIPATION IN THE YSH ESOS 2012 BY MR. MELVYN PUN, AN ASSOCIATE OF THE CONTROLLING SHAREHOLDER**

THAT approval be and is hereby given for the participation of Mr. Melvyn Pun, an Associate of the Controlling Shareholder of the Company, in the YSH ESOS 2012.

#### **ORDINARY RESOLUTION 3: THE PROPOSED GRANT OF AN OPTION UNDER THE YSH ESOS 2012 TO MR. MELVYN PUN, AN ASSOCIATE OF THE CONTROLLING SHAREHOLDER**

THAT, subject to and contingent upon the passing of Ordinary Resolution 2, approval be and is hereby given for the proposed offer and grant to Mr. Melvyn Pun, an Associate of the Controlling Shareholder of the Company, of an option pursuant to and in accordance with the rules of the YSH ESOS 2012 on the following terms, and the Directors be and are hereby authorised to allot and issue such Shares upon the exercise of the option:

- (a) Proposed Date of Grant : Within one (1) month from the date of the EGM
- (b) Number of New Shares comprised in the option : 4,000,000
- (c) Subscription Price per New Share : At a 20% discount to Market Price on the Date of Grant
- (d) Exercise Period : The period from the day after the 2<sup>nd</sup> anniversary of the Date of Grant to the day falling before the 10<sup>th</sup> anniversary of the Date of Grant

#### **ORDINARY RESOLUTION 4: THE PROPOSED YOMA PERFORMANCE SHARE PLAN**

THAT,

- (a) the performance share plan to be known as the “**Yoma Performance Share Plan**” (the “**Yoma PSP**”) particulars of which are set out in the Circular, under which Awards will be granted, free of charge, to selected employees of the Group, be and is hereby approved;



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (b) the Directors of the Company be and is hereby authorised:
- (i) to establish and administer the Yoma PSP;
  - (ii) to modify and/or amend the Yoma PSP from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Yoma PSP and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Yoma PSP;
  - (iii) to grant Awards in accordance with the provisions of the Yoma PSP and pursuant to the Companies Act;
  - (iv) subject to the same being allowed by law, to apply any share purchased or acquired under any share purchase mandate and to deliver such existing Shares (including any shares held in treasury) towards the satisfaction of Awards granted under the Yoma PSP; 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; and
- (c) the Directors be and are hereby authorised 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 always that the total number of New Shares which may be issued pursuant to Awards granted under the Yoma PSP when aggregated with the aggregate number of Shares which may be granted under the YSH ESOS 2012 and any other share-based incentive scheme shall not exceed 10% of the total issued shares of the Company (excluding any share held in treasury) from time to time.

### **ORDINARY RESOLUTION 5: THE PROPOSED PARTICIPATION OF MR. SERGE PUN IN THE PROPOSED YOMA PERFORMANCE SHARE PLAN**

THAT, subject to and contingent upon the passing of Ordinary Resolution 4, approval and is hereby given for the participation by Mr. Serge Pun in the Yoma PSP.

### **ORDINARY RESOLUTION 6: THE PROPOSED PARTICIPATION OF MR. MELVYN PUN IN THE PROPOSED YOMA PERFORMANCE SHARE PLAN**

THAT, subject to and contingent upon the passing of Ordinary Resolution 4, approval and is hereby given for the participation by Mr. Melvyn Pun in the Yoma PSP.

### **ORDINARY RESOLUTION 7: THE PROPOSED PARTICIPATION OF MR. CYRUS PUN IN THE PROPOSED YOMA PERFORMANCE SHARE PLAN**

THAT, subject to and contingent upon the passing of Ordinary Resolution 4, approval and is hereby given for the participation by Mr. Cyrus Pun in the Yoma PSP.

### **ORDINARY RESOLUTION 8: THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000 ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO MR. MELVYN PUN**

THAT approval is hereby given for the proposed allotment and issue of 2,000,000 Shares to Mr. Melvyn Pun, an Associate of the Controlling Shareholder, for a nominal consideration of S\$1.00 in accordance with the terms set out in the Circular and the Directors be and are hereby authorised to allot and issue such Shares to Mr. Melvyn Pun.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### BY ORDER OF THE BOARD

Loo Hwee Fang & Lun Chee Leong  
Joint Company Secretaries

Singapore  
10 July 2015

#### Notes:-

1. A member entitled to attend and vote at the Extraordinary General Meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 78 Shenton Way, #32-00, Singapore 079120, not less than forty-eight (48) hours before the time appointed for the Extraordinary General Meeting.

#### Personal Data Privacy:

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

# YOMA STRATEGIC HOLDINGS LTD.

(Company Registration No. 196200185E)  
(Incorporated In The Republic of Singapore)

## PROXY FORM EXTRAORDINARY GENERAL MEETING

### IMPORTANT:

1. For investors who have used their CPF monies to buy Yoma Strategic Holdings Ltd.'s shares, this Circular is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Extraordinary General Meeting (the "Meeting") as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We, \_\_\_\_\_ (Name(s) with NRIC No./Passport No./Company Registration No.)

of \_\_\_\_\_ (Address)

being a member/members of Yoma Strategic Holdings Ltd. (the "Company"), hereby appoint:

Name	Address	NRIC / Passport No.	Proportion of shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport No.	Proportion of shareholdings (%)

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as \*my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at The Straits Room, Level Four, The Fullerton Hotel at 1 Fullerton Square, Singapore 049178 on 27 July 2015 at 3.30 p.m. (or at such time immediately following the conclusion of the annual general meeting of the Company to be held at 2.00 p.m. on the same day and at the same place) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Ordinary Resolutions	For*	Against*
1. The Proposed Amendment to the YSH ESOS 2012		
2. The Proposed Participation of Mr. Melvyn Pun, an Associate of the Controlling Shareholder, in the YSH ESOS 2012		
3. Contingent upon the passing of Ordinary Resolution 2, the Proposed Grant of an Option comprising 4,000,000 Shares to Mr. Melvyn Pun, an Associate of the Controlling Shareholder		
4. The Proposed Yoma Performance Share Plan (the "Yoma PSP")		
5. Contingent upon the passing of Ordinary Resolution 4, the Proposed Participation of Mr. Serge Pun, the Controlling Shareholder, in the Yoma PSP		
6. Contingent upon the passing of Ordinary Resolution 4, the Proposed Participation of Mr. Melvyn Pun, an Associate of the Controlling Shareholder, in the Yoma PSP		
7. Contingent upon the passing of Ordinary Resolution 4, the Proposed Participation of Mr. Cyrus Pun, an Associate of the Controlling Shareholder, in the Yoma PSP		
8. The Proposed Allotment and Issue of 2,000,000 Shares to Mr. Melvyn Pun, an Associate of the Controlling Shareholder		

\* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided.

Dated \_\_\_\_\_ day of \_\_\_\_\_ 2015

Total Number of Shares in:	Number of Shares
CDP Register	
Register of Members	

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

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



**Notes:**

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy, and if no such proportion is specified, the first named proxy shall be deemed to represent 100 percent (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this instrument appoint a proxy or proxies, to the Extraordinary General Meeting.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act (Cap.50) of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. This instrument appointing a proxy or proxies must be deposited at the Company's registered office at 78 Shenton Way, #32-00, Singapore 079120, not less than forty-eight (48) hours before the time appointed for the Extraordinary General Meeting.

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Please  
affix  
postage  
stamp

The Company Secretary  
**YOMA STRATEGIC HOLDINGS LTD.**  
78 Shenton Way  
#32-00  
Singapore 079120

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6. This instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where this instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where this instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this instrument, failing which, this instrument may be treated as invalid.
8. The Company shall be entitled to reject this instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on this instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject this instrument appointing a proxy or proxies if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 10 July 2015.

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