

CIRCULAR DATED 14 APRIL 2014

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

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

If you have sold or transferred all your ordinary shares in the capital of Amara Holdings Limited (the "**Company**"), you should forward this Circular, the Notice of Extraordinary General Meeting and the enclosed Proxy Form immediately to the purchaser or 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 assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



## AMARA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197000732N)

### CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED ADOPTION OF THE AMARA PERFORMANCE SHARE PLAN
- (2) THE PROPOSED PARTICIPATION OF CONTROLLING SHAREHOLDERS IN THE AMARA PERFORMANCE SHARE PLAN

#### IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	27 April 2014 at 11.30 a.m.
Date and time of Extraordinary General Meeting	:	29 April 2014 at 11.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	Amara Ballroom 2, Level 3, Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539

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# DEFINITIONS

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

## **COMPANIES, ORGANISATIONS AND AGENCIES**

“CDP”	:	The Central Depository (Pte) Limited
“Company”	:	Amara Holdings Limited
“Group”	:	The Company and its subsidiaries
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

## **GENERAL**

“Articles of Association”	:	The articles of association of the Company, as amended, modified or supplemented from time to time
“Associate”	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none"><li>(i) his immediate family;</li><li>(ii) the trustee of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</li><li>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more</li></ul> (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
“Award”	:	A contingent award of fully paid Shares granted under the Plan
“Award Date”	:	In relation to an Award, the date on which the Award is granted to a Participant pursuant to the Plan
“Board”	:	The board of Directors for the time being of the Company
“Circular”	:	This circular dated 14 April 2014 to Shareholders
“Committee”	:	A committee of Directors of the Company who are duly authorised and appointed by the Board to administer the Plan
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
“control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	:	A person who (a) holds, directly or indirectly, 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines such a person is not a controlling shareholder), or (b) in fact exercises control over the Company
“CPF”	:	The Central Provident Fund
“Directors”	:	The directors of the Company for the time being
“EGM”	:	The Extraordinary General Meeting of the Company, notice of which is given on pages 30 to 31 of this Circular

# DEFINITIONS

“EPS”	: Earnings per Share
“Executive Director”	: A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function
“Latest Practicable Date”	: 25 March 2014, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	: The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“Memorandum”	: The memorandum of association of the Company, as amended, modified or supplemented from time to time
“NTA”	: Net tangible assets
“Participant”	: A person who has been granted an Award
“Plan”	: Amara Performance Share Plan
“Register of Members”	: The Register of Members of the Company
“Release Schedule”	: In relation to an Award, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be released at the end of each performance period, service period, or vesting period (as the case may be) and, in the case of a performance related Award, setting out the extent to which Shares which are the subject of that Award shall be released on the prescribed performance condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied as the case may be, at the end of each performance period or vesting period (as the case may be)
“Securities Account”	: A securities account maintained by a Depositor with CDP but which does not include a securities sub-account maintained with a Depository Agent
“Shareholders”	: Registered holders of Shares, except that where the registered holder is CDP, the term “ <b>Shareholders</b> ” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with those Shares
“Shares”	: Ordinary shares in the capital of the Company
“Substantial Shareholder”	: A person who has an interest in one or more voting shares in the Company and the total votes attached to such share(s) are not less than 5% of the total votes attached to all the voting shares in the Company
“Treasury Shares”	: Issued Shares of the Company which are (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies (if applicable)
“%” or “per cent”	: Per centum or percentage

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act. The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

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

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

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

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

Any discrepancies in figures included in this Circular between the amounts shown 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.

# LETTER TO SHAREHOLDERS

## Amara Holdings Limited

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197000732N)

### Directors:

#### Executive Directors:

Albert Teo Hock Chuan (CEO) (Non-Independent)  
Susan Teo Geok Tin (Non-Independent)

#### Non-Executive Directors:

Lawrence Mok Kwok Wah (Non-Independent)  
Chang Meng Teng (Independent)  
Richard Khoo Boo Yeong (Independent)  
Alphonsus Chia Chung Mun (Independent)  
Foo Ko Hing (Independent)

### Registered Office:

100 Tras Street  
#06-01, 100 AM  
Singapore 079027

To: The Shareholders of Amara Holdings Limited

14 April 2014

Dear Sir/Madam

- (1) **THE PROPOSED ADOPTION OF THE AMARA PERFORMANCE SHARE PLAN**
- (2) **THE PROPOSED PARTICIPATION OF CONTROLLING SHAREHOLDERS IN THE AMARA PERFORMANCE SHARE PLAN**

## 1. INTRODUCTION

The Directors are convening an EGM to be held on 29 April 2014 to seek the approval of the Shareholders for the following:

- (a) the proposed adoption of the Amara Performance Share Plan; and
- (b) the proposed participation of Controlling Shareholders in the Amara Performance Share Plan.

The purpose of this Circular is to provide Shareholders with information relating to the above-mentioned proposals to be tabled at the EGM.

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

The SGX-ST has approved in-principle the listing and quotation of the new Shares to be issued pursuant to the Plan, subject to (i) the Company's compliance with SGX-ST's listing requirements and guidelines; and (ii) independent Shareholders' approval being obtained for the Plan. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Plan, the new Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

## 2. THE PROPOSED ADOPTION OF THE AMARA PERFORMANCE SHARE PLAN

As at the date of this Circular, the Company has no share-based incentive schemes or plans in place. The Board is proposing to implement a share plan to be known as the "Amara Performance Share Plan" that will enable the employees of the Group (including the Executive Directors) to participate in the equity of the Company pursuant to the grant of contingent awards of fully paid Shares under the Plan.

# LETTER TO SHAREHOLDERS

## 2.1 Objectives of the Plan

The Plan is a share incentive scheme under which performance-based or time-based Awards may be granted. The Plan is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognise outstanding employees of the Group who have contributed to the growth of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and help to achieve the following main objectives:

- (a) recognise the contributions made or to be made by Participants by rewarding them with a variable component in their remuneration package;
- (b) make employee remuneration sufficiently competitive to (i) recruit new employees with relevant skills to contribute to the Group and to create value for the Shareholders and/or (ii) retain existing employees whose contributions are important to the long-term growth and profitability of the Group;
- (c) instil loyalty and a stronger sense of identification by Participants with the long-term development and growth of the Group, so that the interests of Participants will be aligned with those of Shareholders; and
- (d) motivate Participants to excel in their performance and to maintain a high level of contribution to the Group.

## 2.2 Rationale for the Plan

The Plan is proposed to increase the Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The Plan will strengthen the Group's competitiveness in attracting and retaining talented employees.

The Plan uses methods fairly common among major local and multinational companies to incentivise and motivate employees to achieve predetermined targets which create and enhance economic value for Shareholders. The Plan is centred on the accomplishment of specific pre-determined performance objectives and/or service conditions, which is the prerequisite for the award of fully paid Shares. This reward structure allows the Group to target specific performance objectives and the Company believes that the Plan will be more effective than cash bonuses in incentivising the Participants to put in their best efforts to achieve these targets.

The Directors believe that the proposed Plan will operate to attract new capable employees with outstanding performance standards and expertise that will boost the long-term growth, development and profitability of the Group. The proposed Plan will also serve as a powerful incentive in retaining and motivating employees to optimise their performance standards and efficiency in the strive for sustainable growth and prosperity for the Group as well as to encourage the Participant's greater dedication and loyalty to the Group.

By granting the opportunity to participate in the equity of the Company, the Plan also aims to foster a strong and lasting ownership culture within the Group which aligns the interests of its employees with the interests of Shareholders.

The Committee has the absolute discretion to oversee and administer the Plan. In considering the grant of an Award, the Committee may also take into account, *inter alia*, the Participant's rank and responsibilities, job performance, years of service, potential for future development, contribution to the success and development of the Group and if applicable, the extent of effort and resourcefulness required to achieve the performance condition(s) and/or the service condition(s) within the performance period(s) and/or the service period(s) (as the case may be). The Committee will also consider the compensation and/or benefits given or to be given to the potential Participant under the Plan and any other share-based incentive schemes of the Group, if any. The Committee may also set specific criteria and performance targets for each of its business units, taking into account factors such as (i) the Company's business goals and directions for each financial year; (ii) the potential Participant's actual job scope and responsibilities; and (iii) the prevailing economic conditions.

# LETTER TO SHAREHOLDERS

## 2.3 Summary of the Plan

The following is a summary of the principal rules of the Plan. The detailed rules of the Plan are set out in Appendix A to this Circular.

### 2.3.1 *Eligibility*

Full-time employees (including Executive Directors) who are confirmed in their employment with the Company and/or any subsidiary shall be eligible to participate in the Plan subject to the absolute sole discretion of the Committee, provided always that such employees:

- (a) have attained the age of twenty-one (21) years on or before the Award Date; and
- (b) are not undischarged bankrupts or have not entered into any composition with their creditors.

Controlling Shareholders and their Associates within the above category are eligible to participate in the Plan. Participation in the Plan by Controlling Shareholders and their Associates must be approved by independent Shareholders. A separate resolution shall be passed to approve the participation of each such person and to approve the number of Shares to be awarded to that Participant and the terms of such Award.

### 2.3.2 *Awards*

Awards represent the right of a Participant to receive fully paid shares, free of charge, upon the Participant achieving the prescribed performance condition(s) and/or service condition(s) or otherwise having performed well and/or made a significant contribution to the Company.

Awards granted under the Plan may be performance-based or time-based:

- (a) Performance-based Awards

Such Awards will entitle Participants to be allotted fully paid Shares upon satisfactory achievement of pre-determined performance targets. The performance targets are intended to be based on the corporate objectives relating to market competitiveness, business growth and productivity of the Group. Examples of performance targets to be set include targets based on criteria such as successful completion of a project, market share, market ranking, the financial results of the Group, profitability and return on equity, return on investment as well as total shareholders' return and economic value added.

A performance-based Award under the Plan may either vest (that is, a Participant will be absolutely entitled to all or some of the Shares comprised in an Award) once the performance condition(s) specified in respect of such an Award are satisfied (as determined by the Committee) within the performance period with no further vesting period or, depending on the terms and conditions of the Award granted, it may vest on a date beyond the performance period so as to encourage Participants to continue serving the Group for a further period of time beyond the performance period.

In addition to the achievement of any pre-determined performance targets and/or service conditions, Awards may also be granted upon the Committee's post-event determination that any Participant has performed well and/or made a significant contribution to the Group.

- (b) Time-based Awards

Such Awards will entitle Participants to be allotted fully paid Shares after the satisfactory completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of years, as may be determined or pre-determined by the Committee. The Company may also impose an extended vesting period beyond the service period in order to encourage Participants to continue serving the Group for a further period of time beyond the service period. Such Awards may be used to attract new employees and talent whom the Group may want to retain for specific periods.

The Committee has the flexibility under the Plan to grant both performance-based Awards and time-based Awards to the same Participant simultaneously. Participants may also be granted Awards under the Plan with different performance targets and/or service conditions, or on other different bases. No minimum vesting periods are prescribed under the Plan and the length of vesting periods (if any) in respect of each Award will be determined on a case-by-case basis.

# LETTER TO SHAREHOLDERS

## 2.3.3 *Details of 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 Plan shall be determined at the absolute discretion of the Committee.

The Committee shall decide, *inter alia*, in relation to each Award to be granted to a Participant:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the prescribed performance condition(s) and the relevant performance period(s) during which the prescribed performance condition(s) is to be satisfied, if any;
- (d) the service condition(s) and the service period(s) during which the prescribed service condition(s) is to be satisfied, if any;
- (e) the vesting period(s), if any;
- (f) the Release Schedule;
- (g) the retention period(s), if any; and
- (h) any other condition which the Committee may determine in relation to that Award.

Awards may be granted at any time in the course of a financial year during the period when the Plan is in force, except that:

- (i) no Awards may be granted during the Company's closed periods commencing two weeks before the announcement of the Group's quarterly results and one month before the announcement of the Group's full year results, as the case may be, up to and including the date of announcement of the relevant results or during such other revised closed periods of the Company as may be approved by the Directors from time to time; and
- (ii) in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information which has arisen or which has been the subject of a decision is imminent, Awards may only be granted on or after the second Market Day from the date on which the aforesaid announcement is made.

A letter of Award confirming the Award and specifying, *inter alia*, in relation to the Award, the prescribed performance condition(s) and the relevant performance period during which the prescribed performance condition(s) is to be satisfied (if any), the service condition(s) and the service period(s) during which the prescribed service condition(s) is to be satisfied, the relevant vesting period(s) (if any), the Release Schedule and the retention period(s) (if any) will be sent to each Participant as soon as reasonably practicable.

Subject to the Committee having determined that the prescribed performance condition(s), service condition(s), the vesting period(s) (as the case may be) or such other conditions applicable to the Award having been satisfied and provided that the Participant has continued to be an employee of the Group from the Award Date up to the end of the relevant performance period, service period or the relevant vesting period (as the case may be), the Committee will vest the Award in the Participant and release to the Participant the Shares to which that Award relates on the release date, subject to the terms of the Award.

In relation to a performance-related Award, in determining whether the prescribed performance condition(s) has been satisfied (whether fully or partially) or exceeded or not been satisfied, the Committee has the right to refer to and make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events. The Committee may amend the prescribed performance condition(s) if the Committee decides that a changed performance condition(s) would be a fairer measure of performance.



# LETTER TO SHAREHOLDERS

## 2.3.4 *Events prior to the Vesting of Awards*

Special provisions for the vesting and lapsing of Awards apply in certain circumstances, including the following:

- (a) the misconduct of a Participant as determined by the Committee in its discretion;
- (b) the Participant ceasing to be in the employment of the Company or its subsidiaries for any reason whatsoever (other than as specified in paragraph (e) below);
- (c) an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency;
- (d) the bankruptcy of a Participant or the happening of any other event which results in his being deprived of the legal and/or beneficial ownership of an Award;
- (e) the Participant ceasing 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 Committee);
  - (ii) redundancy;
  - (iii) retirement at or after the legal retirement age;
  - (iv) retirement before the legal retirement age with the consent of the Committee;
  - (v) the company by which he is employed or to which he is seconded, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
  - (vi) any other reason approved in writing by the Committee;
- (f) the death of a Participant;
- (g) any other event approved in writing by the Committee; or
- (h) a take-over, winding-up or a compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company.

Upon the occurrence of any of the events specified in paragraphs (a), (b) and (c) above, an Award then held by a Participant shall, subject as provided in the provisions of the Plan and to the extent not yet released, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in paragraphs (d), (e), (f) and (g) above, the Committee may, in its absolute discretion, preserve all or any part of any Award to the extent not yet released, and decide either to vest all or some of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant performance period, the relevant service period or the relevant vesting period (as the case may be) and subject to the relevant provisions of the Plan. For the avoidance of doubt, the Committee may, in its absolute discretion, decide not to vest any of the Shares which are the subject of the Award.

Upon the occurrence of any of the events specified in paragraph (h) above, the Committee may consider, at its discretion, whether or not to vest any Award. If the Committee decides to vest any Award, then in determining the number of Shares to be vested in respect of such Award, the Committee will have regard to the proportion of the performance period(s), the service period(s) or the vesting period(s) (as the case may be) which has elapsed and the extent to which the applicable performance condition(s) and/or the service condition(s) has been satisfied.

# LETTER TO SHAREHOLDERS

## 2.3.5 *Limitations on the Size of the Plan*

The aggregate number of Shares which may be available pursuant to Awards granted under the Plan on any date, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted under the Plan and (b) options or awards granted under any other option scheme or share plan which the Company may implement from time to time, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Treasury Shares) on the day preceding the relevant Award Date.

The aggregate number of Shares available to eligible Controlling Shareholders and their Associates under the Plan shall not exceed twenty five per cent (25%) of the Shares available under the Plan. In addition, the number of Shares available to each Controlling Shareholder or his Associate shall not exceed ten per cent (10%) of the Shares available under the Plan.

The Company shall have the flexibility to deliver existing Shares to Participants upon the vesting of their Awards as described in section 2.3.6 of this Circular. Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares which may be delivered upon the vesting of Awards will not be subject to any limit, in particular, the limit of fifteen per cent (15%) of the total number of issued Shares referred to above, as such method of settlement does not involve the issuance of any new Shares.

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

The Board is of the view that the size of the Plan is sufficient to provide the flexibility to accommodate the Awards that will be granted over the 10-year life span of the Plan. However, it does not indicate that the Committee will definitely issue Shares up to the prescribed limit. The Committee will exercise its discretion in deciding the number of Shares to be awarded to each Participant under the Plan.

## 2.3.6 *Vesting and Release of Awards*

Subject to the Companies Act and the rules of the Listing Manual, the Company will have the flexibility to deliver Shares to Participants upon the release of their Awards by way of an issue and allotment of new Shares and/or the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as Treasury Shares.

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

New Shares issued and allotted, and existing Shares transferred or procured by the Company to be transferred, on the release of an Award shall:

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

Shares which are allotted and issued or transferred to a Participant pursuant to the release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the retention period(s) (if any), except to the extent set out in the letter of Award or with the prior approval of the Committee.

The Committee shall have the flexibility, and if the circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Shares. In determining whether to release an Award, wholly or partly, in the form of cash rather than Shares, the Committee will take into account factors such as (but not limited to) the cost to the Company of releasing an Award, wholly or partly, in the form of cash rather than Shares. In considering the cost factor, the Committee will take into account relevant factors such as taxation issues arising from the issue of new Shares and/or the purchase of existing Shares and the payment of cash, the availability of cash for payment and the cost of funding the cash payment, if necessary.

# LETTER TO SHAREHOLDERS

## 2.3.7 *Adjustments*

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

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

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

Unless the Committee considers an adjustment to be appropriate:

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

shall not normally be regarded as a circumstance requiring adjustment.

No such adjustment shall be made if as a result of such adjustment, the Participant receives a benefit that a Shareholder does not receive. 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) for the time being of the Company to be, in their opinion, fair and reasonable.

## 2.3.8 *Modifications to the Plan*

The provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee provided that any modification or alteration shall be made in compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

However, no modification or alteration shall adversely alter the rights attached to any Award granted prior to such modification or alteration except with the written consent of such number of Participants who, if their Awards were released to them in full, would become entitled to not less than three-quarters of all the Shares which would be issued and/or transferred upon the release of all outstanding Awards.

No alteration shall be made to particular rules of the Plan to the advantage of the Participants, except with the prior approval of the Shareholders in general meeting.

## 2.3.9 *Administration of the Plan*

The Plan will be administered by the Committee in its absolute discretion with such powers and duties as conferred by the Board. No member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

# LETTER TO SHAREHOLDERS

## 2.3.10 *Duration of the Plan*

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

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

The termination of the Plan shall not affect Awards which have been granted prior to such termination whether such Awards have been released (whether fully or partially) or not.

## 2.3.11 *Disclosures in Annual Report*

Subject to the Plan being approved by Shareholders at the EGM, the Company will make the following disclosures (as applicable) in its annual reports for the financial year ending 31 December 2014 and future financial years for so long as the Plan continues in operation and as from time to time required by the Listing Manual:

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants:
  - (i) Participants who are Directors of the Company;
  - (ii) Participants who are Controlling Shareholders and their Associates; and
  - (iii) Participants, other than those in paragraphs (b)(i) and (b)(ii) above, who have received Shares pursuant to the release of Awards granted under the Plan which, in aggregate, represent five per cent (5%) or more of the aggregate number of Shares available under the Plan; and

Name of Participant	Number of Shares comprised in Awards granted during financial year under review (including terms)	Aggregate number of Shares comprised in Awards granted since commencement of Plan to end of financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred during the financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred since commencement of the Plan to end of financial year under review	Aggregate number of Shares comprised in outstanding Awards not released as at end of financial year under review

- (c) any other information required to be so disclosed pursuant to the Listing Manual or the Companies Act.

If any of the information above is not applicable, an appropriate negative statement shall be included therein.

# LETTER TO SHAREHOLDERS

## 3. THE PROPOSED PARTICIPATION OF CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE PLAN

### 3.1 Rationale for the Participation of Controlling Shareholders and their Associates in the Plan

The purpose for the participation is to provide an opportunity to employees who are Controlling Shareholders or Associates of Controlling Shareholders who have contributed significantly to the growth and performance of the Group to participate in the equity of the Company.

The Company acknowledges that the services and contributions of employees who are Controlling Shareholders or Associates of Controlling Shareholder are important to the development and success of the Group. The extension of the Plan to employees who are Controlling Shareholders and/or their Associates allows the Company to have a fair and equitable system to reward the employees who have made and continue to make important contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholders or their Associates.

Although the Controlling Shareholders and/or their Associates may already have shareholding interests in the Company, the extension of the Plan to encompass them ensures that they are equally entitled, with the other employees of the Group who are not Controlling Shareholders or their Associates, to take part and benefit from this system of remuneration. The Company is of the view that a person who would otherwise be eligible should not be excluded from participating in the Plan solely for the reason that he is a Controlling Shareholder or an Associate of a Controlling Shareholder.

The Directors, save for Mr Albert Teo Hock Chuan, Ms Susan Teo Geok Tin and Mr Lawrence Mok Kwok Wah (who have abstained from making a recommendation on this matter) are of the view that the participation in the Plan by the Controlling Shareholders and their Associates is in the best interests of the Company as such Controlling Shareholders and their Associates are able to set the direction of the Company, define objectives and influence the decisions made by the Company and are therefore in a position to contribute to the growth and prosperity of the Group.

Currently, it is proposed that the Plan be extended to (i) Mr Albert Teo Hock Chuan, the Chief Executive Officer and a Controlling Shareholder of the Company, (ii) Ms Susan Teo Geok Tin, an Executive Director, a Company Secretary and a Controlling Shareholder of the Company, (iii) Mr Teo Kwee Chuan, a Controlling Shareholder of the Company and (iv) Ms Corinne Teo Siew Bee, a Controlling Shareholder of the Company.

### 3.2 Rationale for participation of Mr Albert Teo Hock Chuan

Mr Albert Teo Hock Chuan is the Chief Executive Officer and a Controlling Shareholder of the Company.

Mr Teo brings with him a wealth of experience to the Group. His past experience includes working with PricewaterhouseCoopers, an international public accounting firm, and with a large listed group involved in wholesaling, manufacturing and retailing. Mr Teo holds a Bachelor of Commerce degree from the University of Western Australia and is an Associate Member of the Institute of Chartered Accountants in Australia and the Institute of Chartered Secretaries and Administrators of London.

Mr Teo joined the Group as Non-Executive Director in 1970 and currently serves as the Chief Executive Officer of the Group.

Mr Teo manages and oversees the Group. He is responsible for establishing the strategic and business directions and development of the Group, as well as the overall management of the Group's business. In his capacity as the Chief Executive Officer, Mr Teo has been playing a pivotal role in the Group's diversification and expansion strategy, particularly in broadening the Group's earnings base through penetration within the Asian space.

The Company recognises that Mr Teo has been instrumental in developing, steering and implementing the Group's corporate directions and strategies, including the transformation of Amara Singapore, as well as the Group's entry into the resort hotel business, Amara Sanctuary Resort, Sentosa. Under his leadership, the Group's recurring earnings will be enhanced from upcoming projects including Amara Bangkok – a new business hotel development in Thailand, and the newly revamped and rebranded mall, 100 AM, located in the heart of the Tanjong Pagar district which was successfully launched.

In view of the above, the Company considers his contribution towards the Group's long-term growth to be invaluable and believes that Mr Teo deserves to be allowed to participate in the Plan.

# LETTER TO SHAREHOLDERS

### 3.3 Rationale for participation of Ms Susan Teo Geok Tin

Ms Susan Teo Geok Tin is an Executive Director, a Company Secretary and a Controlling Shareholder of the Company.

Ms Teo holds a Bachelor of Business (Distinction) degree from the Western Australian Institute of Technology and a Graduate Diploma in Computer Science from La Trobe University. She is an Associate Member of the Institute of Chartered Accountants in Australia and the Institute of Certified Public Accountants of Singapore.

Ms Teo has served as an Executive Director of the Company since 1995. She played a major role in bringing the Group public in August 1997. In addition, she has held the position of Company Secretary since 1989.

Ms Teo is overall responsible for the corporate affairs of the Group which include finance, treasury, company secretarial matters, human resource and administration. Ms Teo's leadership and participation in the general management has been instrumental in the development and expansion of the Group. The Company recognises that Ms Teo will continue to play an integral role in driving the development and success of the Group.

In view of the above, the Company considers her contribution towards the Group's long-term development and success to be invaluable and believes that Ms Teo deserves to be allowed to participate in the Plan.

### 3.4 Rationale for participation of Mr Teo Kwee Chuan

Mr Teo Kwee Chuan is a Controlling Shareholder of the Company.

He holds a Bachelor of Science (Honours) degree in Civil Engineering from Queen's University, Belfast.

Mr Teo joined the Group in 1980 and assumed the dual roles of the Group's in-house Engineer cum Project Manager. He currently serves as the director of the Property Division, where he is responsible for the property investment and development arm as well as the technical matters of the Group.

Mr Teo has over 30 years of experience in the building construction and development industry and has overseen the Group's property development with his extensive experience in building and developing various types of mixed residential, commercial, hotel and retail projects. The Company believes that Mr Teo has made and will continue to make invaluable contributions to the Group.

In view of the above, the Company considers his contribution towards the Group's long-term development and success to be invaluable and believes that Mr Teo deserves to be allowed to participate in the Plan.

### 3.5 Rationale for participation of Ms Corinne Teo Siew Bee

Ms Corinne Teo Siew Bee is a Controlling Shareholder of the Company.

Ms Teo joined the Group in 1994 and currently serves as the Group Quality and Systems Manager.

Prior to joining the Group in 1994, Ms Teo worked in multinational corporations including Fortune 500 companies as a systems engineer. She holds a Bachelor of Science degree in Computer Science from the University of Western Australia and is a Member of the Australian Computer Society.

Ms Teo is overall responsible for the Group's branding and communications, management information system, public relations and quality standards. Ms Teo initiated and is instrumental in formulating and nurturing the service quality programmes in the Group such as attainment of the Service Class Awards and a host of awards and accolades.

The Company believes the extension of the Plan to Ms Teo is consistent with the Company's objectives to motivate its key employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Group. Ms Teo's leadership and participation in marketing strategy development and implementation has been instrumental in successful property launches, most notably, the high profile CityLife@Tampines EC project as well as the retail arm of the Group – 100 AM, a new lifestyle mall.

In view of the above, the Company considers her contribution towards the Group's long-term development and success to be invaluable and believes that Ms Teo deserves to be allowed to participate in the Plan.

# LETTER TO SHAREHOLDERS

## 4. FINANCIAL EFFECTS OF THE PLAN

Certain financial effects of the Plan are set out below:

### 4.1 Potential Cost of Awards

The Singapore Financial Reporting Standard (“FRS”) 102, Share-based Payment, issued by the Council on Corporate Disclosure and Governance (which has been replaced by the Accounting Standards Council) is effective for the financial statements of listed companies for the financial year beginning 1 January 2005. Participants may receive Shares or their equivalent cash value, or combinations thereof. In the event that the Participants may receive Shares, 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 a charge to the income statement over the period between the grant date and the vesting date of an Award. The total amount of the charge over the vesting period is determined by reference to the fair value of each Award granted on the grant date, which takes into account market conditions and non-vesting conditions and where there are non-market conditions attached (see the following paragraph), the number of Shares vested at the vesting date, with a corresponding credit to reserve account. Before the end of the vesting period, at each accounting year-end, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made.

The amount charged to the income statement would be the same whether the Company settles the Awards by issuing new Shares or by purchasing existing Shares.

The amount charged to the income statement also depends on whether the performance condition or target attached to an Award is a “market condition”, which is related to the market price of the Shares. If the performance target is not a market condition, the fair value of the Shares granted at the grant date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, if the Awards do not ultimately vest, the amount charged to the income statement would be reversed at the end of the vesting period.

### 4.2 Share Capital

The Plan will result in an increase in the Company’s issued share capital where new Shares are issued to Participants pursuant to the grant of the Awards. This will in turn depend on, *inter alia*, the number of Shares comprised in the Awards to be issued. In any case, the number of new Shares to be issued under the Plan will be subject to the maximum limit of fifteen per cent (15%) of the Company’s total number of issued Shares.

If, instead of issuing new Shares to Participants, existing Shares (including Treasury Shares) are transferred to Participants or the Company pays the equivalent cash value, the Plan would have no impact on the Company’s total number of issued Shares.

### 4.3 Net Tangible Assets (“NTA”)

As described in section 4.4 below, the Plan is likely to result in a charge to the Company’s income statement over the period from the grant date to the vesting date of the Awards. The amount of the charge will be computed in accordance with the accounting method as stated in section 4.1 above. If new Shares are issued to Participants, there will be no effect on the consolidated NTA of the Company. If existing Shares are purchased for delivery to Participants or if the Company pays the equivalent cash value, the consolidated NTA of the Company would be impacted by the cost of the Shares purchased or the cash payment, respectively.

### 4.4 Earnings per Share (“EPS”)

The Plan is likely to result in a charge to earnings over the period from the grant date to the vesting date, computed in accordance with the accounting method as stated in section 4.1 above.

Although the Plan will have a dilutive impact (to the extent that new Shares are issued pursuant to the Plan) on the Company’s consolidated EPS, it should be noted that the delivery of Shares to Participants under the Plan would generally be contingent upon the Participants meeting the prescribed performance condition(s) and/or service condition(s).

# LETTER TO SHAREHOLDERS

## 4.5 Dilutive Impact

The Plan provides that the aggregate number of Shares to be issued under the said Plan will be subject to the limit of fifteen per cent (15%) of the Company's total issued Shares. Shareholders' shareholding percentages will be diluted accordingly as a result of the issue and allotment of new Shares under the Plan.

## 5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

### 5.1 Directors' Interests

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

	Direct Interest		Indirect/Deemed Interest		Total Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
Albert Teo Hock Chuan <sup>(2)</sup>	1,000	n/m <sup>(5)</sup>	308,156,010	53.41	308,157,010	53.41
Susan Teo Geok Tin <sup>(3)</sup>	83,030	0.01	308,146,010	53.41	308,229,040	53.43
Lawrence Mok Kwok Wah <sup>(4)</sup>	710,030	0.12	308,508,010	53.47	309,218,040	53.60
Chang Meng Teng	10,000	n/m <sup>(5)</sup>	-	-	10,000	n/m <sup>(5)</sup>
Richard Khoo Boo Yeong	-	-	-	-	-	-
Alphonsus Chia Chung Mun	-	-	-	-	-	-
Foo Ko Hing	-	-	-	-	-	-

#### Notes

- <sup>(1)</sup> The percentage is calculated based on 576,936,000 Shares, being the total number of issued Shares in the capital of the Company as at the Latest Practicable Date.
- <sup>(2)</sup> Mr Albert Teo Hock Chuan's deemed interest arises from his spouse's direct interest in the Company and his and his associates' controlling interest in Firstrust Equity Pte Ltd.
- <sup>(3)</sup> Ms Susan Teo Geok Tin's deemed interest arises from her and her associates' controlling interest in Firstrust Equity Pte Ltd.
- <sup>(4)</sup> Mr Lawrence Mok Kwok Wah's deemed interest arises from his spouse's and her associates' controlling interest in Firstrust Equity Pte Ltd. Additionally, his spouse is directly interested in 362,000 Shares.
- <sup>(5)</sup> Not meaningful.

As at the Latest Practicable Date, save as disclosed in this Circular, none of the Directors has any interest, direct or indirect, in the Plan other than through their respective shareholdings in the Company.

### 5.2 Substantial Shareholders' Interests

The interests of Substantial Shareholders in the Shares as recorded in the Register of Members, as at the Latest Practicable Date, are as follows:-

	Direct Interest		Indirect/Deemed Interest		Total Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
Albert Teo Hock Chuan <sup>(2)</sup>	1,000	n/m <sup>(5)</sup>	308,146,010	53.41	308,147,010	53.41
Susan Teo Geok Tin <sup>(2)</sup>	83,030	0.01	308,146,010	53.41	308,229,040	53.43
Teo Kwee Chuan <sup>(2)</sup>	20,030	n/m <sup>(5)</sup>	308,146,010	53.41	308,166,040	53.41
Corinne Teo Siew Bee <sup>(2)</sup>	362,000	0.06	308,146,010	53.41	308,508,010	53.47
Goh Ah Moy, Deceased <sup>(2)</sup>	-	-	308,146,010	53.41	308,146,010	53.41
Firstrust Equity Pte Ltd	308,146,010	53.41	-	-	308,146,010	53.41
First Security Pte Ltd <sup>(3)</sup>	-	-	308,146,010	53.41	308,146,010	53.41
Teo Chew Chuan <sup>(4)</sup>	42,578,500	7.38	3,153,493	0.55	45,731,993	7.93
Teo Hin Chuan	32,580,997	5.65	-	-	32,580,997	5.65

#### Notes

- <sup>(1)</sup> The percentage is calculated based on 576,936,000 Shares, being the total number of issued Shares in the capital of the Company as at the Latest Practicable Date.
- <sup>(2)</sup> Each of Mr Albert Teo Hock Chuan's, Ms Susan Teo Geok Tin's, Mr Teo Kwee Chuan's, Ms Corinne Teo Siew Bee's and Mdm Goh Ah Moy, Deceased's deemed interest arises from his/her and his/her associates' controlling interest in Firstrust Equity Pte Ltd.
- <sup>(3)</sup> First Security Pte Ltd's deemed interest arises from its controlling interest in Firstrust Equity Pte Ltd.
- <sup>(4)</sup> Mr Teo Chew Chuan's deemed interest arises from the 3,153,493 Shares held by his spouse.
- <sup>(5)</sup> Not meaningful.

As at the Latest Practicable Date, save as disclosed in this Circular, none of the Substantial Shareholders has any interest, direct or indirect, in the Plan other than through their respective shareholdings in the Company.



# LETTER TO SHAREHOLDERS

## 6. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is set out in this Circular, will be held at Amara Ballroom 2, Level 3, Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539 on 29 April 2014 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

If you are a Depositor, you shall not be entitled to attend and vote at the EGM unless you are shown to have Shares entered against your name in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and 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 and as soon as possible and, in any event, so as to arrive at the registered office of the Company at 100 Tras Street #06-01, 100 AM, Singapore 079027 not less than 48 hours before the time set for the EGM. The completion and return 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 subsequently so wishes to do so.

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

## 8. ABSTENTION FROM VOTING

Shareholders who are entitled to participate in the Plan, including all the Executive Directors of the Company and all Controlling Shareholders and their Associates, shall abstain from voting at the EGM in respect of any resolutions relating to the Plan and shall decline to accept appointment as proxies for any Shareholder to vote in respect of the aforesaid resolutions, unless such Shareholder shall have given instructions in his proxy form as to the manner in which his votes are to be cast in respect of the resolutions.

Shareholders who are Non-Executive Directors and/or Independent Directors of the Company are not entitled to participate in the Plan, and accordingly, will not be required to abstain from voting in the EGM.

## 9. DIRECTORS' RECOMMENDATIONS

### 9.1 The Proposed Adoption of the Plan

Based on the eligibility criteria of the Plan, all the Executive Directors of the Company, namely Mr Albert Teo Hock Chuan and Ms Susan Teo Geok Tin, who are also Controlling Shareholders of the Company, are eligible to participate in, and are therefore interested in the Plan. Accordingly, they have abstained from making any recommendation to the Shareholders in respect of the Plan. Ms Corinne Teo Siew Bee, who is a Controlling Shareholder of the Company and who is the spouse of Mr Lawrence Mok Kwok Wah, is eligible to participate in, and is therefore interested in the Plan. Accordingly, Mr Lawrence Mok Kwok Wah has abstained from making any recommendation to the Shareholders in respect of the Plan.

The remaining Non-Executive Directors and Independent Directors (namely Mr Chang Meng Teng, Mr Richard Khoo Boo Yeong, Mr Alphonsus Chia Chung Mun and Mr Foo Ko Hing) are not entitled to participate in the Plan, and are independent for the purposes of Ordinary Resolution 1. Having considered, among others, the terms and rationale of the Plan, the remaining aforementioned Non-Executive Directors and Independent Directors are of the view that adoption of the Plan is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the same.

# LETTER TO SHAREHOLDERS

## 9.2 The Proposed Participation of Mr Albert Teo Hock Chuan, Ms Susan Teo Geok Tin, Mr Teo Kwee Chuan and Ms Corinne Teo Siew Bee in the Plan

In respect of Ordinary Resolutions 2 to 4, after having considered, *inter alia*, the rationale and benefits of the proposed participation in the Plan by Mr Albert Teo Hock Chuan, Ms Susan Teo Geok Tin and Mr Teo Kwee Chuan, the Directors (except for Mr Albert Teo Hock Chuan and Ms Susan Teo Geok Tin) are of the opinion that the proposed participation in the Plan by Mr Albert Teo Hock Chuan, Ms Susan Teo Geok Tin and Mr Teo Kwee Chuan is in the interests of the Company and Shareholders. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolutions 2 to 4 as set out in the Notice of EGM.

In respect of Ordinary Resolution 5, after having considered, *inter alia*, the rationale and benefits of the proposed participation in the Plan by Ms Corinne Teo Siew Bee, the Directors (except for Mr Albert Teo Hock Chuan, Ms Susan Teo Geok Tin and Mr Lawrence Mok Kwok Wah (who is the spouse of Ms Corinne Teo Siew Bee)) are of the opinion that the proposed participation in the Plan by Ms Corinne Teo Siew Bee is in the interests of the Company and Shareholders. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 5 as set out in the Notice of EGM.

## 10. DIRECTORS' RESPONSIBILITY STATEMENT

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

## 11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 100 Tras Street #06-01, 100 AM, Singapore 079027 during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the annual report of the Company for the financial year ended 31 December 2013; and
- (c) the proposed Rules of the Plan.

Yours faithfully

For and on behalf of the Board of Directors  
**Amara Holdings Limited**

**Albert Teo Hock Chuan**  
Chief Executive Officer

# APPENDIX A

## RULES OF THE AMARA PERFORMANCE SHARE PLAN

### 1. NAME OF THE PLAN

This performance share plan shall be called the Amara Performance Share Plan.

### 2. DEFINITIONS

2.1 In this Plan, except where the context otherwise requires, the following words and expressions shall have the following meanings:

- Articles of Association** : The articles of association of the Company as amended, modified or supplemented from time to time
- Associate** : (a) in relation to any Director, chief executive officer, substantial shareholder or Controlling Shareholder (being in 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
- Award** : A contingent award of fully paid Shares granted under the Plan
- Award Date** : In relation to an Award, the date on which the Award is granted to a Participant pursuant to Rule 6
- Award Letter** : A letter in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee
- Auditors** : The auditors of the Company for the time being
- Board** : The board of Directors for the time being of the Company
- CDP** : The Central Depository (Pte) Limited
- Committee** : A committee of Directors of the Company, who are duly authorised and appointed by the Board to administer the Plan
- Company** : Amara Holdings Limited
- Companies Act** : The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
- control** : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
- Controlling Shareholder** : A person who:
- (a) holds, directly or indirectly, 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines such a person is not a controlling shareholder); or
  - (b) in fact exercises control over the Company

# APPENDIX A

<b>CPF</b>	:	The Central Provident Fund
<b>Director</b>	:	A person holding the office of a director for the time being of the Company
<b>Executive Director</b>	:	A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function
<b>Group</b>	:	The Company and its subsidiaries (as they may exist from time to time)
<b>Listing Manual</b>	:	The listing manual of the SGX-ST, as amended, modified or supplemented 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 as amended, modified or supplemented from time to time
<b>Participant</b>	:	A person who has been granted an Award
<b>Performance Condition</b>	:	In relation to an Award, the performance target and/or conditions specified on the Award Date
<b>Performance Period</b>	:	In relation to an Award, the period specified on the Award Date during which the Performance Condition(s) is to be satisfied
<b>Plan</b>	:	Amara Performance Share Plan
<b>Record Date</b>	:	The date fixed by the Company for the purposes of determining entitlements to dividends, allotments or other distributions to or rights of holders of Shares
<b>Release</b>	:	In relation to an Award, the release at the end of each Performance Period, Service Period or Vesting Period (as the case may be) of all or some of the Shares to which that Award relates in accordance with Rule 8 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 8, the Award in relation to those Shares shall lapse, and <b>Released</b> shall be construed accordingly
<b>Release Date</b>	:	In relation to an Award which is the subject of Release, the date (as determined by the Committee) on which payment of such Award is made or effected
<b>Release Schedule</b>	:	In relation to an Award, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released at the end of each Performance Period, Service Period, or Vesting Period (as the case may be) and, in the case of a performance-related Award, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied as the case may be, at the end of each Performance Period or Vesting Period (as the case may be)
<b>Retention Period</b>	:	In relation to an Award, such retention period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date
<b>Rules of the Plan</b>	:	The rules of the Plan, as may be modified or amended from time to time and <b>Rule</b> refers to a rule under the Rules of the Plan
<b>Securities Account</b>	:	A securities account maintained by a Depositor with CDP, but which does not include a securities sub-account maintained with a Depository Agent
<b>Service Condition</b>	:	In relation to an Award, the service condition specified on the Award Date
<b>Service Period</b>	:	In relation to an Award, the period specified on the Award Date during which the Service Condition is to be satisfied
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited
<b>Shareholders</b>	:	Registered holders of Shares, except that where the registered holder is CDP, the term <b>Shareholders</b> shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with those Shares
<b>Shares</b>	:	Ordinary shares in the capital of the Company

# APPENDIX A

- Treasury Shares** : Issued Shares of the Company which are (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies (if applicable)
- Vest** : The entitlement to all or some of the Shares which are the subject of an Award, and **Vesting** and **Vested** shall be construed accordingly
- Vesting Date** : The date (as determined by the Committee and notified to the relevant Participant) on which Shares have Vested pursuant to Rule 8
- Vesting Period** : In relation to an Award, the period, the duration of which is to be determined by the Committee on the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested in the relevant Participant, subject to Rule 8
- % or per cent** : Per centum or percentage

2.2 The term **subsidiary** shall have the meaning ascribed to it in Section 5 of the Companies Act. The terms **Depositor**, **Depository Agent** and **Depository Register** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

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

2.4 Headings are inserted for convenience only and shall be ignored in construing the Rules of the Plan.

2.5 Any reference in the Rules of the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in the Rules of the Plan shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

2.6 Any reference to a time of day in the Rules of the Plan is made by reference to Singapore time unless otherwise stated.

## 3. OBJECTIVES

3.1 The Plan is a share incentive scheme under which performance-based or time-based Awards may be granted. The Plan is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognise outstanding employees of the Group who have contributed to the growth of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and help to achieve the following main objectives:

- (a) recognise the contributions made or to be made by Participants by rewarding them with a variable component in their remuneration package;
- (b) make employee remuneration sufficiently competitive to (i) recruit new employees with relevant skills to contribute to the Group and to create value for the Shareholders and/or (ii) retain existing employees whose contributions are important to the long-term growth and profitability of the Group;
- (c) instil loyalty and a stronger sense of identification by Participants with the long-term development and growth of the Group, so that the interests of Participants will be aligned with those of Shareholders; and
- (d) motivate Participants to excel in their performance and to maintain a high level of contribution to the Group.

## 4. ELIGIBILITY

4.1 Full-time employees (including Executive Directors) who are confirmed in their employment with the Company and/or any subsidiary shall be eligible to participate in the Plan subject to the absolute sole discretion of the Committee, provided always that such employees:

- (a) have attained the age of twenty-one (21) years on or before the Award Date; and
- (b) are not undischarged bankrupts or have not entered into any composition with their creditors.

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Controlling Shareholders and their Associates within the above category are eligible to participate in the Plan. Participation in the Plan by Controlling Shareholders and their Associates must be approved by independent Shareholders. A separate resolution shall be passed to approve the participation of each such person and to approve the number of Shares to be awarded to that Participant and the terms of such Award.

- 4.2 There shall be no restriction on the eligibility of any Participant to participate in any other share option plan or share incentive plans implemented or to be implemented by the Company, or any other company within the Group.
- 4.3 Subject to the Companies Act and requirements of the SGX-ST and the Rules of the Plan, the terms of eligibility for participation in the Plan may be amended from time to time at the absolute sole discretion of the Committee.

## **5. LIMITATION ON THE SIZE OF THE PLAN AND MAXIMUM ENTITLEMENTS**

- 5.1 The aggregate number of Shares which may be available pursuant to Awards granted under the Plan on any date, when added to the number of new Shares issued and issuable in respect of (i) all Awards granted under the Plan and (ii) options or awards granted under any other option scheme or share plan which the Company may implement from time to time, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Treasury Shares) on the day preceding the relevant Award Date.
- 5.2 The aggregate number of Shares available to eligible Controlling Shareholders and their Associates under the Plan shall not exceed twenty five per cent (25%) of the Shares available under the Plan. In addition, the number of Shares available to each Controlling Shareholder or his Associate shall not exceed ten per cent (10%) of the Shares available under the Plan.
- 5.3 The Company shall have the flexibility to deliver existing Shares to Participants upon the Vesting of their Awards as provided in Rule 8.3. Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares purchased from the market or from Shares held in treasury or purchased under any share purchase mandate which may be delivered upon the Vesting of Awards will not be subject to any limit, as such method of settlement will not involve the issuance of any new Shares.
- 5.4 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.
- 5.5 If however, due to a reduction of the Company's capital or a buy-back of its shares, the Shares Released under the Awards exceed fifteen per cent (15%) of the Company's total number of issued Shares excluding Treasury Shares, this will not invalidate any such Release.

## **6. GRANT OF AWARDS**

- 6.1 Subject to the Rules of the Plan, the Committee may grant Award(s) at any time in the course of a financial year during the period when the Plan is in force, provided that:
  - (a) no Awards may be granted during the Company's closed periods commencing 2 weeks before the announcement of the Group's quarterly results and 1 month before the announcement of the Group's full year results, as the case may be, up to and including the date of announcement of the relevant results or during such other revised closed periods of the Company as may be approved by the Directors from time to time; and
  - (b) in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information which has arisen or which has been the subject of a decision is imminent, Awards may only be granted on or after the second Market Day from the date on which the aforesaid announcement is made.
- 6.2 In relation to an Award, the Committee shall decide, *inter alia*, in its absolute discretion:
  - (a) the Participant;
  - (b) the Award Date;
  - (c) the number of Shares which are the subject of the Award;

# APPENDIX A

- (d) the Performance Condition(s) and the relevant Performance Period(s), if any;
- (e) the Service Condition(s) and the relevant Service Period(s), if any;
- (f) the Vesting Period(s), if any;
- (g) the Release Schedule;
- (h) the Retention Period(s), if any; and
- (i) any other condition which the Committee may determine in relation to that Award.

6.3 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 Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as the Participant's rank and responsibilities, job performance, years of service, potential for future development, contribution to the success and development of the Group and if applicable, the extent of effort and resourcefulness required to achieve the Performance Condition(s) and/or the Service Condition(s) within the Performance Period(s) and/or the Service Period(s) (as the case may be).

6.4 In respect of any Award, the Committee may amend or waive the Performance Condition(s), the Service Condition(s), the Performance Period(s), the Service Period(s), the Vesting Period(s), the Release Schedule, the Retention Period(s) and/or any condition applicable to that Award:

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

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

6.5 The Committee shall issue an Award Letter confirming the Award and specifying the following:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the Performance Condition(s) and the relevant Performance Period(s), if any;
- (d) the Service Condition(s) and the relevant Service Period(s), if any;
- (e) the Vesting Period(s), if any;
- (f) the Release Schedule;
- (g) the Retention Period(s), if any; and
- (h) any other condition which the Committee may determine in relation to that Award,

to each Participant as soon as is reasonably practicable.

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- 6.6 Participants are not required to furnish any consideration (including making any payment) for the grant of the Awards or the issue or transfer of Shares upon the Vesting of an Award.
- 6.7 An Award shall be personal to the Participant to whom it is granted and shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award, that Award shall immediately lapse.

## 7. EVENTS PRIOR TO THE VESTING OF AWARDS

- 7.1 All Awards granted shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company:
- (a) in the event of misconduct on the part of a Participant as determined by the Committee in its discretion;
  - (b) subject to Rule 7.2(c), the Participant ceasing to be in the employment of the Company or its subsidiaries for any reason whatsoever; or
  - (c) 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 purposes of Rule 7.1(b), the Participant shall be deemed to have ceased to be so employed as at the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- 7.2 If any of the following events occur, the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following the occurrence of such event either to Vest all or some of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period, Service Period or Vesting Period (as the case may be) and subject to the provisions of the Plan:
- (a) the death of a Participant;
  - (b) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal and/or beneficial ownership of an Award;
  - (c) the Participant ceasing 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 Committee);
    - (ii) redundancy;
    - (iii) retirement at or after the legal retirement age;
    - (iv) retirement before the legal age with the consent of the Committee;
    - (v) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
    - (vi) any other reason approved in writing by the Committee; or
  - (d) any other event approved by the Committee.

In exercising its discretion, the Committee will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Condition(s) and/or the Service Condition(s) has been satisfied. For the avoidance of doubt, the Committee may, in its absolute discretion, decide not to Vest any of the Shares which are the subject of the Award.



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7.3 Without prejudice to the provisions of Rule 6.4, 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 is approved by Shareholders and/or sanctioned by the Court under the Companies Act;
- (c) an order is made for the winding-up of the Company on the basis of its insolvency; or
- (d) the Shareholders pass a resolution for a members' solvent voluntary winding-up of the Company (other than for amalgamation or reconstruction),

the Committee may consider, at its discretion, whether or not to Vest any Award, and will take into account all circumstances on a case-by-case basis, including but not limited to, the contributions made by that Participant. If the Committee decides to Vest any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period(s), Service Period(s) or Vesting Period(s) (as the case may be) which has elapsed and the extent to which the Performance Condition(s) and/or Service Condition(s) has been satisfied. Where Awards are Vested, the Committee will, as soon as practicable after the Awards have been Vested, procure the allotment and/or transfer to each Participant of the number of Shares so determined, such allotment and/or transfer to be made in accordance with Rule 8.

## 8. VESTING AND RELEASE OF AWARDS

### 8.1 Review of Performance Condition(s)

- (a) As soon as reasonably practicable after the end of each Performance Period of a performance-related Award, the Committee shall review the Performance Condition(s) specified in respect of that Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied (whether fully or partially).
- (b) If the Committee determines in its sole discretion that the Performance Condition(s) has not been satisfied or (subject to Rule 7) 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 shall lapse and be of no value.
- (c) The Committee shall have the discretion to determine whether the Performance Condition(s) has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to refer to and to make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and shall further have the right to amend the Performance Condition(s) if the Committee decides that a changed performance target would be a fairer measure of performance.
- (d) If the Committee determines in its sole discretion that the Performance Condition(s) has been satisfied (whether fully or partially) or exceeded, and provided that the relevant Participant has continued to be an employee of the Group from the Award Date up to the end of the relevant Performance Period or Vesting Period (as the case may be), it may Vest in that Participant:
  - (i) In the case where it is determined that the Performance Condition(s) has been fully satisfied, the number of Shares to which that Award relates in accordance with the Release Schedule specified in respect of that Award on the Vesting Date; or
  - (ii) In all other cases, such number of Shares as may be determined by the Committee in its absolute discretion.

8.2 Subject to the Committee having determined that the prescribed Performance Condition(s), Service Condition(s), the Vesting Period(s) (as the case may be) or such other conditions applicable to an Award have been satisfied and (subject to Rule 7) provided that the Participant has continued to be in employment with the Group from the Award Date up to the end of the relevant Performance Period, Service Period or Vesting Period (as the case may be), upon the expiry of the relevant Performance Period, Service Period or Vesting Period (as the case may be), the Committee will Vest the Award in the Participant and Release to the Participant the Shares to which that Award relates on the Release Date, subject to the terms of the Award.

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8.3 Subject to the Companies Act and the rules of the Listing Manual, the Company shall have the flexibility to deliver Shares to Participants upon the Release of their Awards by way of:

- (a) an issue and allotment of new Shares; and/or
- (b) the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as Treasury Shares.

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

8.4 Shares which are the subject of a Vested Award shall be Released to a Participant on the Release Date, which shall be a Market Day falling as soon as practicable after the determination by the Committee referred to in Rule 8.2 and the Vesting Date. On the Release Date, the Committee will procure the allotment and/or transfer to each Participant of the number of Shares so determined.

8.5 Where new Shares are allotted upon the Release of an Award, 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.

8.6 Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued or registered (as the case may be) in the name of CDP for the credit of:

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

in each case, as designated by that Participant.

8.7 New Shares allotted and issued, and existing Shares transferred or procured by the Company to be transferred, on the Release of an Award, shall:

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

8.8 Shares which are allotted and issued or transferred to a Participant pursuant to the Release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period(s) (if any), except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.

8.9 The Committee shall have the flexibility to approve the Release of an Award, wholly or partly, in the form of cash rather than Shares, in which event the Participant shall receive on the Release Date, in lieu of all or part of the Shares which would otherwise have been allotted and issued or transferred to him on the Release of his Award, the aggregate value of the relevant number of Shares in cash, with the value of each Share being for this purpose (i) the average of the closing market price of the Shares, as determined by reference to the daily Official List published by the SGX-ST for the five (5) consecutive Market Days immediately preceding the Release Date or (ii) if the Committee is of the opinion that such market value is not representative of the value of a Share, such price as the Committee may determine, after consultation with the Auditors or such other professional advisors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

In determining whether to Release an Award, wholly or partly, in the form of cash rather than Shares, the Committee will take into account factors such as (but not limited to) the cost to the Company of Releasing an Award, wholly or partly, in the form of cash rather than Shares. In considering the cost factor, the Committee will take into account relevant factors such as taxation issues arising from the issue of new Shares and/or purchase of existing Shares and the payment of cash, the availability of cash for payment and the cost of funding the cash payment, if necessary.

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## 9. ADJUSTMENTS

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

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

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

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

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

9.3 Notwithstanding the provisions of Rule 9.1:

- (a) no such adjustment shall be made if as a result of such adjustment, the Participant receives 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 in their opinion, fair and reasonable.

9.4 Upon any adjustment required to be made under this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth (as applicable) 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.

## 10. MODIFICATIONS TO THE PLAN

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

- (a) no modification or alteration shall adversely alter 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 in full, would become entitled to not less than three-quarters of all the Shares which would be issued and/or transferred upon the Release of all outstanding Awards;
- (b) the definitions of "Associate", "Controlling Shareholder", "Executive Director", "Participant" and the provisions of Rules 4, 5, 6, 7, 8 and 11 and this Rule 10 shall not be altered to the advantage of Participants except with the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made unless in compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

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- 10.2 Notwithstanding anything to the contrary contained in Rule 10.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST and such other regulatory authorities as may be necessary) modify or amend the Rules of the Plan in any way to the extent necessary to cause the Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including but not limited to the SGX-ST).
- 10.3 The opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive.
- 10.4 Written notice of any modification or alteration made in accordance with this Rule 10 shall be given to all Participants.

## **11. ADMINISTRATION OF THE PLAN**

- 11.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board from time to time, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.
- 11.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.
- 11.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Plan;
  - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
  - (c) any decision or determination of the Committee made pursuant to any provision of the Plan.
- 11.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors), including any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure thereunder or as to any rights under the Plan, shall be final, binding and conclusive.

## **12. DURATION OF THE PLAN**

- 12.1 The Plan shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date the Plan is adopted by the Company in general meeting, provided always that the Plan 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.
- 12.2 The Plan may be terminated at any time at the discretion of the Committee or by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.
- 12.3 The termination of the Plan shall not affect Awards which have been granted prior to such termination, whether such Awards have been Released (whether fully or partially) or not.

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## 13. TERMS OF EMPLOYMENT UNAFFECTED

- 13.1 The Plan or any Award granted under the Plan shall not form part of any contract of employment between the Company and/or any of its subsidiaries and any Participant and the rights and obligations of any Participant under the terms of his office or employment with such company within the Group shall not be affected by his participation in the Plan, 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 or appointment for any reason whatsoever.
- 13.2 The Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any of its subsidiaries directly or indirectly or give rise to any cause of action at law or in equity against the Company and/or any of its subsidiaries.

## 14. DISCLOSURES IN ANNUAL REPORT

- 14.1 The Company shall disclose the following (where applicable) in its annual report for as long as the Plan continues in operation and as from time to time required by the Listing Manual:
- (a) the names of the members of the Committee administering the Plan;
  - (b) the information required in the table below for the following Participants:
    - (i) Participants who are directors of the Company;
    - (ii) Participants who are Controlling Shareholders and their Associates; and
    - (iii) Participants, other than those in sub-paragraphs (b)(i) and (b)(ii) above, who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five per cent (5%) or more of the aggregate number of Shares available under the Plan; and

Name of Participant	Number of Shares comprised in Awards granted during financial year under review (including terms)	Aggregate number of Shares comprised in Awards granted since commencement of Plan to end of financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred during the financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred since commencement of the Plan to end of financial year under review	Aggregate number of Shares comprised in outstanding Awards not Released as at end of financial year under review

- (c) any other information required to be so disclosed pursuant to the Listing Manual or the Companies Act.

If any of the information above is not applicable, an appropriate negative statement shall be included therein.

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## **15. NOTICES AND COMMUNICATIONS**

- 15.1 All notices and communications to be given by a Participant to the Company shall be made or sent to the registered office of the Company or such other address(es) (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to the Participant in writing.
- 15.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or at the last known address, electronic mail address or facsimile number of the Participant.
- 15.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 15.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.
- 15.4 An offer, grant, acceptance and/or Release of an Award, including without any limitation, the Award Letter under Rule 6.5 and/or any correspondence in relation thereto, may be communicated electronically through any form of electronic communication approved by the Committee for such purposes from time to time incorporating, if the Committee deems necessary, the use of such security and/or identification procedures and devices as may be approved by the Committee.

## **16. COSTS AND EXPENSES**

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

## **17. TAXES**

All taxes (including income tax, if applicable) arising from the grant, Vesting and/or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

## **18. DISCLAIMER OF LIABILITY**

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

## **19. DISPUTES**

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

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

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

## **21. GOVERNING LAW**

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

## **22. EXCLUSION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT**

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

# NOTICE OF EXTRAORDINARY GENERAL MEETING



## AMARA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197000732N)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of Amara Holdings Limited (the “**Company**”) will be held at Amara Ballroom 2, Level 3, Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539 on 29 April 2014 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions:

#### **Resolution 1: Ordinary Resolution**

##### **Proposed Adoption of the Amara Performance Share Plan**

THAT:

- (a) a new share plan to be known as the “Amara Performance Share Plan” (the “**Plan**”) under which awards of ordinary shares in the capital of the Company (the “**Shares**”) will be granted, free of payment, to selected executive directors and employees of the Company and/or its subsidiaries, particulars of which are set out in Appendix A of the Company’s Circular to Shareholders dated 14 April 2014, be and is hereby approved and adopted; and
- (b) the Directors of the Company be and are hereby authorised:
  - (i) to establish and administer the Plan;
  - (ii) to modify and/or amend the Plan from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the Plan and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Plan;
  - (iii) to grant awards in accordance with the provisions of the Plan and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the vesting of awards under the Plan provided that the aggregate number of Shares available under the Plan shall not exceed fifteen per cent (15%) of the total number of issued Shares of the Company (excluding Treasury Shares) from time to time;
  - (iv) subject to the same being allowed by law, to apply any Shares purchased under any share purchase mandate or any Shares held in treasury by the Company towards the satisfaction of Awards granted under the Plan; and
  - (v) to complete and do all 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.

#### **Resolution 2: Ordinary Resolution**

##### **Proposed Participation of Mr Albert Teo Hock Chuan, the Chief Executive Officer and a Controlling Shareholder of the Company, in the Amara Performance Share Plan**

THAT:

Subject to and contingent upon the passing of Ordinary Resolution 1, approval be and is hereby given for the participation of Mr Albert Teo Hock Chuan, the Chief Executive Officer and a Controlling Shareholder of the Company, in the Amara Performance Share Plan.



# NOTICE OF EXTRAORDINARY GENERAL MEETING

## **Resolution 3: Ordinary Resolution**

**Proposed Participation of Ms Susan Teo Geok Tin, an Executive Director, a Company Secretary and a Controlling Shareholder of the Company, in the Amara Performance Share Plan**

THAT:

Subject to and contingent upon the passing of Ordinary Resolution 1, approval be and is hereby given for the participation of Ms Susan Teo Geok Tin, an Executive Director, a Company Secretary and a Controlling Shareholder of the Company, in the Amara Performance Share Plan.

## **Resolution 4: Ordinary Resolution**

**Proposed Participation of Mr Teo Kwee Chuan, a Controlling Shareholder of the Company, in the Amara Performance Share Plan**

THAT:

Subject to and contingent upon the passing of Ordinary Resolution 1, approval be and is hereby given for the participation of Mr Teo Kwee Chuan, a Controlling Shareholder of the Company, in the Amara Performance Share Plan.

## **Resolution 5: Ordinary Resolution**

**Proposed Participation of Ms Corinne Teo Siew Bee, a Controlling Shareholder of the Company, in the Amara Performance Share Plan**

THAT:

Subject to and contingent upon the passing of Ordinary Resolution 1, approval be and is hereby given for the participation of Ms Corinne Teo Siew Bee, a Controlling Shareholder of the Company, in the Amara Performance Share Plan.

By Order of the Board

Susan Teo Geok Tin / Foo Soon Soo  
Company Secretaries

Singapore  
14 April 2014

### **Notes:**

- (1) Save as provided in the Articles of Association, a member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint up to two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) If the appointor is a corporation, the instrument appointing the proxy or proxies must be executed either under its seals or under the hand of its officer or attorney duly authorised.
- (3) The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 100 Tras Street #06-01, 100 AM, Singapore 079027, not less than 48 hours before the time appointed for holding the Extraordinary General Meeting in order for the proxy to be entitled to attend and vote at the Extraordinary General Meeting.
- (4) All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Company's circular to Shareholders dated 14 April 2014 (the "**Circular**") (including supplements and modifications thereto). Shareholders should refer to the Circular for information relating to the proposed adoption of the Plan.

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**AMARA HOLDINGS LIMITED**

Registration No. 197000732N  
(Incorporated in the Republic of Singapore)

**IMPORTANT:**

1. This Circular is also forwarded to investors who have used their CPF monies to buy shares in the Company at the request of their CPF Approved Nominees, and is sent solely for their information only.
2. The Proxy Form is, therefore, not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

# Proxy Form

## EXTRAORDINARY GENERAL MEETING

I/We \_\_\_\_\_ (Name)

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

being a member/members of AMARA HOLDINGS LIMITED hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us and on my/our behalf at the Extraordinary General Meeting ("EGM") of the Company to be held at Amara Ballroom 2, Level 3, Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539 on Tuesday, 29 April 2014 at 11.30 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM.

No.	Ordinary Resolutions	To be used on a show of hands		To be used in the event of a poll	
		For*	Against*	For**	Against**
1.	To approve the adoption of the Amara Performance Share Plan.				
2.	To approve the participation of Mr Albert Teo Hock Chuan in the Amara Performance Share Plan.				
3.	To approve the participation of Ms Susan Teo Geok Tin in the Amara Performance Share Plan.				
4.	To approve the participation of Mr Teo Kwee Chuan in the Amara Performance Share Plan.				
5.	To approve the participation of Ms Corinne Teo Siew Bee in the Amara Performance Share Plan.				

\* Please indicate your vote "For" or "Against" with a tick (✓) within the box provided.

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Total number of Shares held

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

**IMPORTANT: PLEASE READ NOTES FOR PROXY FORM**

Please cut along dotted line



## Notes for Proxy Form

1. A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote on his behalf.
2. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and the second named proxy as an alternate to the first named, or at the Company's option to treat this proxy form as invalid.
3. A proxy or representative need not be a member of the Company.
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, Chapter 50), 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 of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the EGM.
6. The instrument appointing a proxy or proxies for any member must be in writing and (in the case of an individual appointor) duly signed by the appointor or his attorney or, (if the appointor is a corporation) must be executed under its seal or signed by its attorney or duly authorised officer.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office at 100 Tras Street #06-01, 100 AM, Singapore 079027, not less than 48 hours before the time set for the EGM, and in default the instrument of proxy shall be treated as invalid.
8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.