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## LETTER TO SHAREHOLDERS

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### RH PETROGAS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 198701138Z)

#### Directors

Dato' Sri Dr. Tiong Ik King (*Non-Executive and Non-Independent Chairman*)  
Mr. Chang Cheng-Hsing Francis (*Group CEO and Executive Director*)  
Mr. Tiong Kiong King (*Non-Executive Non-Independent Director*)  
Mr. Yeo Yun Seng Bernard (*Independent Director*)  
Mr. Lee Hock Lye (*Independent Director*)  
Mr. Achmad Lukman Kartanegara (*Independent Director*)  
Ms. Kuan Li Li (*Independent Director*)

#### Registered Office

20 Harbour Drive  
#06-03  
Singapore 117612

13 April 2021

**To: The Shareholders** (the “Shareholders”) of **RH Petrogas Limited** (the “Company”)

Dear Sir/Madam

#### 1. INTRODUCTION

1.1 We refer to:

- (i) the Notice of the Annual General Meeting (“AGM”) of the Company dated 13 April 2021 (the “Notice”), accompanying the Annual Report for the financial year ended 31 December 2020, convening the AGM of the Company to be held by way of electronic means on 28 April 2021 at 10.00 a.m.;
- (ii) Ordinary Resolution No. 12 in the Notice relating to the proposed extension of the RHP Share Option Scheme 2011 (the “Scheme”) for a period of 10 years from 28 April 2021 up to 28 April 2031 and to authorise Directors to continue to administer the Scheme;
- (iii) Ordinary Resolution No. 13 in the Notice relating to grant of Options for the Subscription of Shares at a Discount;
- (iv) Ordinary Resolution Nos. 14 and 15 in the Notice relating to the proposed participation of the Controlling Shareholders and Associates of Controlling Shareholders in the Scheme;
- (v) Ordinary Resolution No. 16 in the Notice relating to the proposed extension of the RHP performance share plan (the “Share Plan”) for a period of 10 years from 28 April 2021 up to 28 April 2031 and to authorise Directors to continue to administer the Share Plan; and
- (iv) Ordinary Resolution Nos. 17 and 18 in the Notice relating to the proposed participation of the Controlling Shareholders and Associates of Controlling Shareholders in the Share Plan.

(The following terms have the following meaning:

- “Associate” (i) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (a) his immediate family; (b) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (c) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and (ii) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a Subsidiary of any 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;

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- **“Controlling Shareholder”** means a person who: (i) holds directly or indirectly 15% or more of the issued share capital of the Company; or (ii) in fact exercises Control over the Company;
- **“Options”** as defined under paragraph 2.1 of Appendix 2 below, means the right to subscribe for new Shares granted or to be granted pursuant to the Scheme, which may be a Market Price Option and/or an Incentive Option, as the case may be; and
- **“Substantial Shareholder”** means a person (including a corporation) who holds directly or indirectly 5% or more of the total issued share capital of the Company.)

### 2. BACKGROUND

- 2.1 The Company currently has in place the Scheme and the Share Plan, both of which were approved by the Shareholders at the extraordinary general meeting of the Company held on 8 July 2011 (the **“2011 EGM”**). The Scheme and the Share Plan were both adopted for an initial duration of up to a maximum period of ten years, with the provision that each could be continued beyond that period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The initial duration of the Scheme and the Share Plan are due to expire on 8 July 2021.
- 2.2 The purpose of this Letter is to provide Shareholders with information relating to, and to explain (i) the rationale for, the proposals set out in paragraph 1.1 above to be tabled at the AGM, (ii) the rules of the Scheme and the Share Plan and their conformity with the rules of the Listing Manual relating to share option schemes and share schemes; and to seek Shareholders’ approval for such proposals at the AGM.

### 3. THE PROPOSED EXTENSION OF AND CONTINUED IMPLEMENTATION OF THE RHP SHARE OPTION SCHEME 2011

#### 3.1 Rationale of the Scheme

The Company recognises that human resources are invaluable assets. The Company has to be able to retain qualified and experienced key employees and recruit new employees with capabilities while setting high performance standards. The Company intends to motivate employees so that they will assume an ownership mentality and assume more responsibility towards the Company and its subsidiaries’ (the **“Group”**) performance. The Scheme will be an incentive to recruit, retain and motivate employee.

The Scheme will also complement the structuring of a competitive remuneration package, and is designed as an additional incentive tool to reward and retain employees and to recognise their contributions and achievements. The Company recognises that it is important to receive continuing support and contributions from its employees.

Apart from its employees, the Company recognises that persons who are not employees of the Company, such as employees and executive directors of Associated Companies (as defined under paragraph 2.1 of Appendix 2 below), are also able to provide the Group with valuable support, inputs, business alliances, new business opportunities and contracts. The Company understands that the continual support of these persons is of importance to the progress, well-being and stability of the Group. The Scheme gives the Company the opportunity to acknowledge and give recognition to any outstanding achievements and contributions made by these categories of participants.

The Scheme will provide an opportunity for employees and Directors of the Group who contribute to the success of the Group, to share in the success and achievements of the Group as well as the performance of the Company through participation in the equity of the Company. By doing so, the Company hopes to strengthen its working relationship with the Participants (as defined under paragraph 2.1 of Appendix 2 below) by building in them a stronger sense of loyalty as well as developing a stronger alignment with the long term goals of the Group, while recognising their contributions to the Group at the same time.

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On 12 April 2021, the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) granted in-principle approval for the listing and quotation of the fully paid ordinary shares in the capital of the Company (the “**Shares**”) to be issued pursuant to the extension of the duration of Scheme on the Official List of the Main Board of the SGX-ST subject to, *inter alia*, specific Shareholders’ approval being obtained for the extension of the Scheme. Such in-principle approval by the SGX-ST is not an indication of the merits of proposed extensions of the duration of the Scheme and the Share Plan, the new Shares which may be allotted and issued from time to time pursuant to the exercise of the Options (as defined under paragraph 2.1 of Appendix 2 below) or the Awards (as defined under paragraph 2.1 of Appendix 2 below and under paragraph 2.1 of Appendix 4 below as the case may be) granted under the Scheme or the Share Plan (the “**New Shares**”), the Company and/or its subsidiaries.

### 3.2 Eligibility for Participation

The following persons are eligible to participate in the Scheme at the absolute discretion of the Remuneration Committee of the Company (or such other committee comprising Directors of the Company duly authorised, appointed and nominated by the Board to administer the Scheme and/or the Share Plan, as the case may be, from time to time) (the “**Committee**”):

- (i) full-time employees of the Group who are of the age of 18 years and above;
- (ii) directors of the Company and its subsidiaries (including Non-Executive Directors); and
- (iii) Associated Company Employees (as defined under paragraph 2.1 of Appendix 2 below),

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are Controlling Shareholders and their Associates shall not participate in the Scheme unless:

- (a) written justification has been provided to Shareholders for their participation at the introduction of the Scheme or prior to the first grant of Options to them;
- (b) the actual number and terms of any Options to be granted to them have been specifically approved by Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder; and
- (c) all conditions for their participation in the Scheme as may be required by the regulation of the SGX-ST from time to time are satisfied.

Participants who participate in the Scheme are eligible to participate in other schemes implemented by other companies in the Group if approved by the Committee.

For the purposes of assessing the contributions of eligible persons, the Committee may adopt a performance framework which incorporates financial and/or non-financial performance measurement criteria including, but not limited to the financial benefit or financial enhancement to the Group through any deals or transactions entered into by the Group as a result of the contributions of such persons, as well as the value of other contributions such as the introduction of new contacts or business opportunities.

### 3.3 Limitation on the Size of the Scheme

The existing limit on the total number of New Shares in the capital of the Company over which Options may be granted under the Scheme will not be increased as a result of the proposed extension of the duration of the Scheme. In this regard, the aggregate number of New Shares in respect of which Options may be granted on any date under the Scheme (including the of the Scheme), when added to the number of New Shares issued and issuable in respect of all Options granted thereunder or other share-based incentive schemes of the Company (including any

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awards of New Shares granted under the Share Plan), shall not exceed fifteen per cent. (15%) of the number of the total issued Shares of the Company (excluding Treasury Shares and subsidiary holdings) on the day immediately preceding the relevant Date of Grant (as defined under paragraph 2.1 of Appendix 2 below). (“**Treasury Shares**” refer to issued Shares of the Company which are (or is treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have since the purchase been continuously held by the Company; and “**subsidiary holdings**” refer to shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.)

With regard to Controlling Shareholders and their Associates, the aggregate number of New Shares which may be granted to all Controlling Shareholders and their Associates will not exceed twenty five per cent. (25%) of all the New Shares available under the Scheme and other share-based incentive schemes of the Company (including any awards of New Shares granted under RHP Performance Share Plan). In addition, the number of New Shares issued and issuable to each of the Controlling Shareholders or their Associates shall not exceed ten per cent. (10%) of all the New Shares available under the Scheme and other share-based incentive schemes of the Company (including any awards of New Shares granted under RHP Performance Share Plan). Treasury Shares and subsidiary holdings will be disregarded for purposes of computing the 25% and 10% limits.

Subject to the provisions on variation of the capital, the total number of New Shares in respect of Options that may be offered to a Participant in accordance with the Scheme shall be determined at the absolute discretion of the Committee. Such discretion will give the Committee sufficient flexibility in adjusting the number of New Shares in respect of Options to be granted, to achieve the desired goals of the Company through tailoring the compensation and incentive package suitable for each Participant. In determining the extent of participation of an eligible employee, the Committee shall take into account criteria such as the scope of work and responsibility, performance targets, job performance, years of service and potential for further development and contribution to the success of the Group.

The size of the Scheme is intended to accommodate the potential pool of Participants arising over the duration of the Scheme and to support the use of Options in the Company’s overall long-term compensation strategy.

As at 15 March 2021, being the latest practicable date prior to the printing of this Letter (the “**Latest Practicable Date**”), the total number of issued Shares is 734,277,400 and the aggregate number of New Shares available under the Scheme would be fifteen per cent. (15%) of the number of total issued Shares (excluding treasury shares and subsidiary holdings).

### 3.4 Exercise Price of the Options Granted under the Scheme

The Scheme provides for Options to be granted with a Subscription Price (as defined under paragraph 2.1 of Appendix 2 below) set at a discount of not more than twenty per cent. (20%) to the Market Price (as defined under paragraph 2.1 of Appendix 2 below) at the relevant Date of Grant. The ability to grant Options at a discount to the Market Price of the Shares will allow the Company flexibility in structuring the Options and ensure that the Company maintains the competitiveness of its compensation strategy.

The Company may utilise the Options as a means to reward Participants for their outstanding performance and to motivate them to continue to excel, as well as attract new talents for the Company.

The ability to grant Options at a discount is important in situations where it is more meaningful for the Company to acknowledge a Participant’s contributions and achievements through offering Options at a discount to the Market Price as a supplement to cash bonus, as these Options operate as a form of cashless reward from the Company with a greater potential for capital appreciation than Options granted at the Market Price. This serves as an additional

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method available to the Company for compensating employees in addition to the salaries, salary increments and cash bonuses as it enables the Company to introduce an effective manner of motivating Participants to maximise their performance, which will in turn create better value for Shareholders.

Further, because Options granted with a discount under the Scheme are subject to a longer vesting period (such Options being exercisable only after the second anniversary from the Date of Grant) than those granted at the Market Price (exercisable after the first anniversary of the Date of Grant), holders of such Options are encouraged to take a long term view of the Company, thereby promoting staff and employee retention and reinforcing their commitment to the Company.

The Company believes that the maximum discount of 20% to the Market Price of the Shares is sufficient to allow for flexibility in the Scheme, while minimising the potential dilutive effect to the Shareholders arising from the Scheme.

In accordance with Rule 845(5) of the Listing Manual and Rule 8.1.2 of the Scheme, the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount of 20% of the Market Price is subject to the approval of Shareholders in general meeting. For the avoidance of doubt, such prior approval shall be required to be obtained only once and, once obtained, shall, unless revoked, authorise the making of offers and grants of Options under the Scheme with such discount for the duration of the Scheme.

### 3.5 Duration of the Scheme

Based on the Shareholders' approval at the 2011 EGM, the Scheme shall continue to be in operation at the discretion of the Committee, subject to a maximum duration of 10 years commencing from its adoption by Shareholders at the 2011 EGM, provided always that the Scheme may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution ("**Ordinary Resolution**") in general meeting and of any relevant authorities which may then be required. Therefore the proposal to extend the duration of the Scheme for a period of 10 years from 28 April 2021 up to 28 April 2031 will be tabled at the forthcoming AGM to be held on 28 April 2021.

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

### 3.6 Summary of the Principal Terms and the Rules of the Scheme

3.6.1 Other than the following updates, the rules of the Scheme (as approved by the Shareholders at the 2011 EGM), will continue to apply for the proposed ten-year extension of the Scheme:

- (i) to extend the duration of the Scheme;
- (ii) to update the references to "capitalisation of profits or reserves" and "capitalisation issue" to read as "bonus issue" to be in line with the amendments to the listing rules of the SGX-ST which took effect on 7 February 2020; and
- (iii) to update the treatment of Shares held by a subsidiary in its holding company such that these shares (a) shall be excluded from the calculation of issued share capital where it relates to voting rights (including in the calculation of limits for share buy-back and share issue mandate and in the definition of "controlling shareholder"); and (b) shall not be excluded from (I) the calculation of issued share capital where it does not relate to voting rights and (II) the calculation of market capitalisation in line with the amendments to the listing rules of SGX-ST which took effect on 31 March 2017.

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3.6.2 The foregoing updates referred to in paragraph 3.6.1(ii) and (iii) above are to update the rules of the Scheme to be in line with the amendments to the listing rules of the SGX-ST and not for the advantage of Participants of the Scheme.

3.6.3 The principal terms of the Scheme (approved by the Shareholders at the 2011 EGM, including the updates referred to in paragraph 3.6.1(ii) and (iii) above) have been summarised and are set out in Appendix 1 of this Letter. The rules of the Scheme are set out in Appendix 2 of this Letter.

### 3.7 Financial Effects of the Scheme

#### 3.7.1 Share Capital

The share capital of the Company will increase to the extent of the New Shares that will be issued and allotted pursuant to the exercise of the Options granted under the Scheme. Whether and when Options will be exercised will depend on the Subscription Price of the Options, when the Options will vest as well as the prevailing trading price of the Shares.

There would be no impact on the Company's number of issued Shares if the relevant Options are not exercised.

#### 3.7.2 Net Tangible Assets ("NTA")

The effect on NTA per Share will depend on whether the Subscription Price is above or below the Company's NTA per Share at the time of issue of the New Shares pursuant to an exercise of the Options. If the Subscription Price is above the Company's NTA per Share, the effect will be accretive and if the Subscription Price is below the Company's NTA per Share, the effect will be dilutive.

#### 3.7.3 Earning Per Share ("EPS")

Without taking into account earnings that may be derived by the Company from the use of the proceeds of their issue, the New Shares issued pursuant to any exercise of the Options will have a dilutive impact on the Company's EPS.

#### 3.7.4 Potential Cost of Issuing the Options

Singapore Financial Reporting Standards (International) 2 ("**SFRS(I) 2**") relating to share-based payments for all listed companies took effect from 1 January 2005. Under SFRS(I) 2, the recognition of an expense in respect of Options granted under the Scheme is required.

The expense will be based on the fair value of an Option at each Date of Grant of the Option and will be recognised over the vesting period. This fair value is normally estimated by applying the option pricing model at the Date of Grant of an Option, taking into account the terms and conditions of the grant of the Option and recognised as a charge to the Company's consolidated profit and loss statement over the period from the Date of Grant of the Option to the vesting date (the "**Vesting Period**"), with a corresponding credit to the Company's reserve account.

Before the end of the Vesting Period and at the end of each accounting year, the estimated number of Options that are expected to vest in each Participant by the vesting date will be revised, and the impact of the revised estimate is recognised in the consolidated profit and loss statement with a corresponding adjustment to the Company's reserve account. After the vesting date, no adjustment of the charge to the consolidated profit and loss account is made.

Under the Scheme, Options are granted to Grantees (as defined under paragraph 2.1 of Appendix 2 below) at a nominal consideration of S\$1.00 upon acceptance of the offer of the Options.

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Subject as aforesaid, as and when Options are exercised, the cash inflow will add to the NTA of the Company and its share capital will grow. Since Options may be granted with Subscription Prices set at a discount to the Market Price for the Shares prevailing at the time of the grant of such Options, the amount of cash inflow to the Company on the exercise of Options would be lower by the quantum of the discount given, as compared with the cash inflow which would have been received by the Company had the Options been granted at the Market Price of the Shares prevailing at the time of grant.

In the event that Options are granted with Subscription Prices below the prevailing Market Price of the Shares, there will be a cost to the Company should the Options subsequently be exercised. On the assumption that all such Incentive Options (as defined under paragraph 2.1 of Appendix 2 below) are exercised, the costs to the Company are anticipated to be as follows:

- (i) the Subscription Price of an Option at a discount to the Market Price would translate to a reduction of the proceeds from the exercise of such Options, as compared to the proceeds that the Company would have received from such exercise had the exercise been made at the Market Price. Such a reduction of the exercise proceeds would represent the monetary cost of granting Options;
- (ii) as the monetary cost of granting Options is borne by the Company, the earnings of the Company would effectively be reduced by an amount corresponding to the reduced interest earnings that the Company would have received from the difference in proceeds from a Subscription Price with no discount versus the discounted Subscription Price. Such a reduction would, accordingly, result in the dilution of the Company's earnings per Share; and
- (iii) the effect of the issue of New Shares upon the exercise of Options on the Company's NTA per Share is accretive if the Subscription Price is above the NTA per Share, but dilutive otherwise. The dilutive effect is greater if the Subscription Price is at a discount to the Market Price.

#### **4. THE PROPOSED RHP PERFORMANCE SHARE PLAN**

##### **4.1 Rationale for the Share Plan**

To promote higher performance goals and recognise exceptional achievements, the Company had implemented the Share Plan in July 2011, which award fully-paid Shares to Participants after certain pre-determined benchmarks have been met. The Company believes that the Share Plan will be more effective as a supplement to pure cash bonuses in motivating employees to work towards pre-determined goals.

The Share Plan is based on the principle of pay-for-performance and is designed to enable the Company to reward, retain and motivate employees to achieve superior performance. The purpose of adopting the Share Plan is to give the Company greater flexibility to align the interests of employees, especially key executives, with the interests of Shareholders. The Share Plan:

- (i) provides an opportunity for Participants to participate in the equity of the Company thereby inculcating a stronger sense of identification with the long term growth of the Group and promoting organisational commitment, dedication and loyalty of Participants towards the Group;
- (ii) motivates Participants to strive towards performance excellence and maintain high level of contributions and achievements to the Group;
- (iii) gives recognition to contributions and achievements made or to be made by Participants by introducing a variable component into their remuneration package; and

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- (iv) makes employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long term growth and profitability of the Group.

The Share Plan, which forms an integral and important component of a compensation plan, is designed as an additional incentive tool to reward and retain the Participants whose services are key to the well-being and success of the Group.

The objective of both the Scheme and the Share Plan is to motivate, reward and retain the employees and Directors. The Scheme is intended to apply to a broader base of employees whereas the Share Plan is intended to apply to a select group of key staff as the Company deems suitable. The implementation of the two different share-based schemes will provide the Company with the flexibility in granting suitable share-based incentives according to the suitability of the candidates as well as to design compensation packages which are relevant and attractive taking into account the circumstances of the candidates and the Group. This will further strengthen the Company's competitiveness in attracting and retaining key talents and employees.

### 4.2 Eligibility for Participation

The following persons are eligible to participate in the Share Plan at the absolute discretion of the Committee:

- (i) full-time managers and those listed above them in the organisation charts of the Group who are of the age of 18 years and above; and
- (ii) directors of the Company and its subsidiaries (including Non-Executive Directors),

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are Controlling Shareholders and their Associates shall not participate in the Share Plan unless:

- (a) written justification has been provided to Shareholders for their participation at the introduction of the Share Plan or prior to the first grant of Awards (as defined under paragraph 2.1 of Appendix 4 below) to them;
- (b) the actual number and terms of any Shares to be granted to them have been specifically approved by Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder; and
- (c) all conditions for their participation in the Share Plan as may be required by the regulation of the SGX-ST from time to time are satisfied.

Participants who participate in the Share Plan are eligible to participate in other plans implemented by other companies in the Group if approved by the Committee.

For the purposes of assessing the contributions of eligible persons, the Committee may adopt a performance framework which incorporates financial and/or non-financial performance measurement criteria including, but not limited to the financial benefit or financial enhancement to the Group through any deals or transactions entered into by the Group as a result of the contributions of such persons, as well as the value of other contributions such as the introduction of new contacts or business opportunities.



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### 4.3 Overview of the Share Plan

The Share Plan is designed to reward its Participants by the issue and/or transfer of fully-paid Shares according to the extent to which they complete certain time-based service conditions or achieve their performance targets over set performance periods.

Awards granted under the Share Plan may be time-based or performance-related, and in each instance, shall vest only:

- (i) where the Award is time-based, after the satisfactory completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of years (such Awards being “**time-based Awards**”); or
- (ii) where the Award is performance-related, after the Participant has achieved pre-determined performance targets (such Awards being “**performance-related Awards**”).

A time-based Award may be granted, for example, as a supplement to the cash component of the remuneration packages of senior executive officers, whom the Company seeks to attract and recruit. A performance-related Award may be granted, for example, with a Performance Condition (i.e. in relation to performance related Award, the condition specified on the Date of Grant in relation to that Award) based on the successful completion of a project or the successful achievement of certain quantifiable Performance Conditions, such as sales growth or productivity enhancement.

The rules of the Share Plan are in compliance with the rules of the Listing Manual relating to share schemes.

On 12 April 2021, the SGX-ST granted in-principle approval for the listing and quotation of the Shares to be issued pursuant to the Share Plan on the Official List of the Main Board of the SGX-ST subject to, *inter alia*, specific Shareholders' approval being obtained for the extension of the Share Plan. Such in-principle approval by the SGX-ST is not an indication of the merits of the Share Plan, the New Shares, the Company and/or its subsidiaries.

### 4.4 Limitation on the size of the Share Plan

The existing limit on the total number of New Shares in the Company which the Committee may grant Awards under the Share Plan will not be increased as a result of the proposed extension of the duration of the Share Plan. In this regard, the aggregate number of New Shares over which the Committee may grant Awards on any date, when added to the number of New Shares issued and issuable in respect of all Shares granted under this Share Plan (including the extension of this Share Plan) and any other share schemes to be implemented by the Company (including all options granted under the Scheme, as well as the extension of the Scheme) shall not exceed 15% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) on the day preceding that date (the “**Plan Limit**”).

With regard to Controlling Shareholders and their Associates, the aggregate number of New Shares which may be granted to all Controlling Shareholders and their Associates will not exceed twenty five per cent. (25%) of all the New Shares available under the Share Plan and any other share schemes to be implemented by the Company (including all options granted under the Scheme), and that the number of New Shares issued and issuable to each of the Controlling Shareholders or their Associates shall not exceed ten per cent. (10%) of all the New Shares available under the Share Plan and any other share schemes to be implemented by the Company (including all options granted under the Scheme). Treasury Shares and subsidiary holdings will be disregarded for purposes of computing the 25% and 10% limits.

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### 4.5 Awards to be granted under the Share Plan

The Awards to be granted under the Share Plan allow a Participant to receive fully-paid Shares free of consideration upon the Participant achieving the performance target as prescribed by the Committee at its absolute discretion.

The selection of a Participant and the number of Shares which are the subject of each Award granted to a Participant in accordance with the Share Plan shall be determined at the absolute discretion of the Committee. The Committee plans to exercise this discretion judiciously, taking into account criteria such as his rank, job performance, years of service and potential for further development, his contributions to the success of the Company and the extent of efforts required to achieve the performance target within the performance period.

The Committee shall decide, in relation to each Award to be granted:

- (i) the Participant;
- (ii) the Award date;
- (iii) the number of Shares which are the subject of the Award;
- (iv) in the case of a performance-related Award:
  - (aa) the performance period; and
  - (ab) the performance target(s);
- (v) the Vesting Period(s); and
- (vi) the schedule setting out the extent to which Shares will be released on satisfaction of the performance target(s) (the “**Release Schedule**”) (if any).

Awards may be granted at any time the Share Plan is in force. As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award letter confirming the Award and specifying in relation to the Award:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) in the case of a performance-related Award:
  - (aa) the performance period; and
  - (bb) the performance target(s);
- (d) the Vesting Period(s); and
- (e) the Release Schedule (if any).

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

- (A) the termination of the employment of the Participant;
- (B) the ill health, injury, disability or death of a Participant;
- (C) the bankruptcy of a Participant;

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- (D) the misconduct of a Participant; and
- (E) a take-over, winding-up or reconstruction of the Company.

Subject to the prevailing legislation and the rules of the Listing Manual, the Company will deliver Shares to Participants upon vesting of their Awards by way of an issue of New Shares and/or the transfer of Treasury Shares (through the purchase of existing Shares for delivery to Participants pursuant to the share buyback mandate of the Company, if any).

In determining whether to issue New Shares or to purchase existing Shares to satisfy the Awards, the Company shall have the right to take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing New Shares or purchasing existing Shares.

New Shares allotted and issued on the release of an Award shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Shares then in issue. For this purpose Record Date means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company), on which Shareholders must be registered with the Company or with the Central Depository (Pte) Limited (“CDP”) in order to participate in such dividends, rights, allotments or other distributions.

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

### 4.6 Summary of the Principal Terms and the Rules of the Share Plan

4.6.1 Other than the following updates, the rules of the Share Plan (as approved by the Shareholders at the 2011 EGM), will continue to apply for the proposed ten-year extension of the Share Plan:

- (i) to extend the duration of the Share Plan;
- (ii) to update the references to “capitalisation of profits or reserves” and “capitalisation issue” to read as “bonus issue” to be in line with the amendments to the listing rules of the SGX-ST which took effect on 7 February 2020; and
- (iii) to update the treatment of Shares held by a subsidiary in its holding company such that these shares (a) shall be excluded from the calculation of issued share capital where it relates to voting rights (including in the calculation of limits for share buy-back and share issue mandate and in the definition of “controlling shareholder”); and (b) shall not be excluded from (I) the calculation of issued share capital where it does not relate to voting rights and (II) the calculation of market capitalisation in line with the amendments to the listing rules of SGX-ST which took effect on 31 March 2017.

4.6.2 The foregoing updates referred to in paragraph 4.6.1(ii) and (iii) above are to update the rules of the Share Plan to be in line with the amendments to the listing rules of the SGX-ST and not for the advantage of Participants of the Share Plan.

4.6.3 The principal terms of the Share Plan have been summarised and are set out in Appendix 3 of this Letter. The rules of the Share Plan are set out in Appendix 4 of this Letter.

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## LETTER TO SHAREHOLDERS

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### 4.7 Financial Effects of the Share Plan

#### 4.7.1 Cost of Awards

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

SFRS(I) 2 requires the recognition of an expense in respect of Awards granted under the Share Plan. The expenses will be based on the fair value of the Awards at the date of the grant and will be recognised over the expected Vesting Period. However, no expense will ultimately be recognised for any Awards granted that do not vest because of failure to satisfy the vesting conditions.

In accordance with SFRS(I) 2 'Share-based payment', paragraph 15, the Company will account for the grant of the Awards during the Vesting Period, with a corresponding increase in equity. As per SFRS(I) 2, paragraph 19, on a cumulative basis, no amount is recognised for services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition. Also, as per SFRS(I) 2, paragraph 20, the Company shall recognise an amount for the services received during the Vesting Period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary. Therefore, grant of award is recognised to income statement over the expected Vesting Period. If an employee leaves before end of Vesting Period, the Company should revise the estimated number of equity instruments expected to vest.

#### 4.7.2 Share Capital

The Share Plan will result in an increase in the Company's issued share capital only if New Shares are issued to Participants. The number of New Shares issued will depend on, *inter alia*, the size of the Awards granted under the Share Plan. However, if existing Shares are purchased for delivery to Participants in lieu of issuing New Shares to Participants, the Share Plan will have no impact on the Company's issued share capital.

#### 4.7.3 NTA

As described below under paragraph 4.7.4 entitled "EPS", the Share Plan will result in a charge to the Company's and Group's profit and loss account equal to the market value at which the New Shares are issued or the existing Shares are purchased to meet delivery under the Awards. If New Shares are issued under the Share Plan, the NTA of the Company and the Group would decrease by the amount charged. If existing Shares are purchased for delivery to Participants, the NTA of the Group and the Company would decrease by the amount charged.

Although the Share Plan will result in a charge to our profit and loss account of the Company and the Group, it should be noted that Awards are granted only on a selective basis and will be granted to Participants whom the Company believes would have contributed or will contribute significant value in its success including financial performance. In particular, the grant of Awards and delivery of Shares to Participants of the Share Plan, are contingent upon the Participants meeting prescribed Performance Conditions. Therefore, Participants would have contributed to or will contribute to significant value add to the NTA of the Company and the Group before the Awards are granted and Shares delivered.

#### 4.7.4 EPS

The Share Plan will result in a charge to earnings equivalent to the market value at which the existing Shares are purchased or the market value on the date at which New Shares are issued under the Awards.

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## LETTER TO SHAREHOLDERS

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Although the Share Plan will have a dilutive impact (to the extent that New Shares are issued pursuant to the Share Plan) on the EPS of the Company and the Group, the delivery of Shares to Participants in respect of Awards granted under the Share Plan, is contingent upon the Participants meeting prescribed conditions. Accordingly, the earnings of the Company and the Group should have grown before the Awards are granted and Shares delivered.

### 4.7.5 Dilutive Impact

It is expected that any dilutive impact of the Share Plan on the NTA and the EPS would not be significant.

## 5. PARTICIPATION OF CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES AND NON-EXECUTIVE DIRECTORS IN THE SCHEME AND SHARE PLAN

### 5.1 Rationale and justification for participation of Controlling Shareholders and their Associates

One of the objectives of the Scheme and the Share Plan is to motivate Participants to optimise their contributions and achievements by maintaining a high level of performance. The objectives of the Scheme and the Share Plan apply equally to our Directors who are Controlling Shareholders or Associates of Controlling Shareholders. The Company's view is that all deserving and eligible Participants should be motivated, regardless of whether they are controlling shareholders. The Company believes that as the Scheme and the Share Plan are designed to motivate, retain and reward employees and directors who contribute to the growth and profits of the Company, employees and Directors who are Controlling Shareholders or Associates of Controlling Shareholders should be entitled to the same benefits as other employees and should not be excluded from benefiting under the Scheme or Share Plan solely for the reason that they are Controlling Shareholders or Associates of the Controlling Shareholders. It is in the Group's interest that these participants who are actively contributing to the Group's progress and development are given the incentives to continue to remain with the Company and contribute towards the Group's future progress and development. In respect of the determination as to eligibility and grant of Options or Awards, the terms of the Scheme or the Share Plan do not differentiate between employees and Directors who are Controlling Shareholders or Associates of Controlling Shareholders and other Directors and employees who are not such persons. As such, employees and Directors who are Controlling Shareholders or Associates of Controlling Shareholders will be subject to the same rules as other employees.

The Non-Executive and Non-Independent Chairman Dato' Sri Dr Tiong Ik King is also a Controlling Shareholder of the Company. Mr Tiong Kiong King, the Non-Executive and Non-Independent Director of the Company, is also the brother of Dato' Sri Dr Tiong Ik King and therefore is regarded as an Associate of a Controlling Shareholder of the Company.

Pursuant to Rule 853 of the Listing Manual, the specific grant of Options or Awards to the Controlling Shareholders and their Associates will have to be approved by independent Shareholders in a general meeting of the Company in separate resolutions.

#### 5.1.1 Rationale for participation of Dato' Sri Dr Tiong Ik King

Dato' Sri Dr Tiong Ik King was appointed a director of the Company on 7 March 1997 and Non-Executive Chairman since 31 March 2005 and was re-designated as Executive Director on 13 March 2008. On 2 March 2017, he was re-designated as a Non-Executive and Non-Independent Director and on 29 March 2018, he was appointed as Deputy Chairman. On 26 April 2019, Dato' Sri Dr Tiong was appointed Non-Executive and Non-Independent Chairman of the Company. Dato' Sri Dr Tiong Ik King is a medical doctor by training. The Rimbunan Hijau group is controlled by the Tiong family. Dr Tiong is also the Non-Executive Director and Chairman of the Media Chinese International Limited, a publicly listed media company in both Hong Kong and Malaysia, and a Non-Independent Non-Executive Director of Jaya Tiasa Holdings Berhad, a publicly listed oil palm and timber company in Malaysia.

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## LETTER TO SHAREHOLDERS

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With his business acumen and finance experience, Dato' Sri Dr Tiong Ik King provides leadership, management skills, business networks and market contacts to the Group as well as advice and directions to the Group on matters relating to the business proposals, prospective acquisition targets and financial policies. As a Non-Executive and Non-Independent Chairman of the Company, Dato' Sri Dr Tiong Ik King plays a crucial role in setting and aligning the strategic directions and supporting major decisions concerning the Group's policies with regard to the business development, as well as its corporate development and future plans.

The extension of the Scheme and the Share Plan to Dato' Sri Dr Tiong Ik King is consistent with the Company's objectives to motivate its employees and Directors to achieve and maintain a high level of performance and contribution which are vital to the success of the Company. Although Dato' Sri Dr Tiong Ik King already has a controlling shareholding interest in the Company, the extension of the Scheme and the Share Plan to him will ensure that he is equally entitled, as with other employees and Directors who are not Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing his long term commitment to the Company. For the above reasons, the Directors believe that Dato' Sri Dr Tiong Ik King deserves, and should be allowed to participate in the Scheme and the Share Plan.

As at the Latest Practicable Date, Dato' Sri Dr Tiong Ik King is deemed to be interested in 212,073,086 Shares by virtue of his shareholding in Woodsville International Limited, the holding company of Surreyville Pte Ltd., representing approximately 28.88% of the total number of issued Shares.

### 5.1.2 Rationale for participation of Tiong Kiong King

Mr Tiong Kiong King was appointed as a Non-Executive and Non-Independent Director of the Company on 15 September 2016. Mr Tiong is a businessman and has over 50 years of managerial experience in the timber industry. His extensive expertise and experience in the timber industry stretch over various capacities from the upstream to the downstream segments, spanning a number of jurisdictions including Africa, Brazil, China, Indonesia, Malaysia, New Zealand, Papua New Guinea, Russia and Solomon Islands. Mr Tiong is currently Chairman of the Board and member of the Nomination and Remuneration Committees of Subur Tiasa Holdings Berhad, and Vice Chairman of the Board as well as Chairman of the Remuneration Committee and member of the Audit and Nomination Committees of Rimbunan Sawit Berhad. Both companies are listed on Bursa Malaysia. In addition, he is an Executive Director of the Rimbunan Hijau Group of Companies, a conglomerate with diverse interests such as mining, oil & gas, aquaculture, hotel and tourism and insurance. Mr Tiong also holds key posts in several non-government organisations, including being the Life Honorary President of Sibu Chinese Chamber of Commerce and Industry, Vice President of World Federation of Fuzhou Association Limited, Life Honorary President of Persekutuan Persatuan-Persatuan Foochow Sarawak, Honorary Chairman of the World Zhang Clan Association Limited and Chairman of Persatuan Klan Zhang Negeri Sarawak.

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## LETTER TO SHAREHOLDERS

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The extension of the Scheme and the Share Plan to Mr Tiong Kiong King is consistent with the Company's objectives to motivate its employees and Directors to achieve and maintain a high level of performance and contribution which are vital to the success of the Company. Although Mr Tiong Kiong King is an Associate of the Controlling Shareholder of the Company, the extension of the Scheme and the Share Plan to him will ensure that he is equally entitled, as with other employees and Directors who are not Controlling Shareholders or their Associates, to take part in and benefit from this system of remuneration, thereby enhancing his long term commitment to the Company. For the above reasons, the Directors believe that Mr Tiong Kiong King deserves, and should be allowed to participate in the Scheme and the Share Plan.

As at the Latest Practicable Date, Mr Tiong Kiong King is not deemed to be interested in any Share.

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

Under the rules of the Listing Manual, the Group has some flexibility in formulating a scheme that recognises and benefits not only persons who are in the employment of the Group but also Non-Executive Directors (including Independent Directors) who are not employed by the Group but who nevertheless work closely with the Group and/or are in the position to contribute their experience, knowledge and expertise to the success of the Group. The Scheme and the Share Plan are extended to the Non-Executive Directors (including our Independent Directors) of the Group.

Although the Non-Executive Directors are not involved in the day-to-day running of the Group, nonetheless, they play an invaluable role in our success by applying their experience, drawing on their knowledge and utilising their expertise for the benefit of the Group. It is desirable that the Non-Executive Directors (including Independent Directors) be allowed to participate in the Scheme and the Share Plan to give recognition to their services and contributions and to further align their interests with that of the Group.

In order to minimise any possible conflicts of interest, and so as not to compromise the objectivity of independent members of the Board who have been selected or may, in the future, be selected to participate in the Scheme and the Share Plan, the Non-Executive Directors (including Independent Directors) would primarily continue to be remunerated for their services by way of directors' fees. As the Scheme does specify a limit as to the number of Shares to be comprised in Options that may be granted to any Participant in a financial year, it is envisaged that the Options granted to Non-Executive Directors (including Independent Directors) will not comprise (whether on an individual or collective basis) a significant portion of the Options available under the Scheme. Further any Options granted to Non-Executive Directors (including Independent Directors) would not be to such an extent that their independence may be compromised.

The Committee when deciding on the selection of Non-Executive Directors to participate in the Scheme and the Share Plan and the number of Shares to be offered (in accordance with the Scheme and the Share Plan) will take into consideration the nature and extent of their input, assistance and expertise rendered to the committees on which they sit and the impact thereof on the growth, success and development of the Company and the Group, as well as their involvement and commitment to the Board. Non-Executive Directors (including Independent Directors) will abstain from making any recommendation as a Director and abstain from voting as a member of the Company when the grant of Options and/or Shares to him is being considered.

## LETTER TO SHAREHOLDERS

### 6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the capital of the Company as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	% <sup>(5)</sup>	No. of Shares	% <sup>(5)</sup>
<b>Directors</b>				
Dato' Sri Dr Tiong Ik King <sup>(1) (2)</sup>	–	–	212,073,086	28.88
Chang Cheng-Hsing Francis	–	–	–	–
Tiong Kiong King <sup>(2)</sup>	–	–	–	–
Yeo Yun Seng Bernard	–	–	–	–
Lee Hock Lye	–	–	–	–
Achmad Lukman Kartanegara	–	–	–	–
Kuan Li Li	–	–	–	–
<b>Substantial Shareholders</b>				
Tan Sri Datuk Sir Tiong Hiew King <sup>(2) (3)</sup>	580,000	0.08	472,845,443	64.40
Surreyville Pte Ltd <sup>(1) (3)</sup>	212,073,086	28.88	–	–
Woodsville International Limited <sup>(1) (3)</sup>	–	–	212,073,086	28.88
Sharptone Investments Limited <sup>(3) (4)</sup>	132,825,203	18.09	–	–
The Estate of Tiong Kiu King, Deceased <sup>(4)</sup>	–	–	132,825,203	18.09
RH Capital Limited <sup>(3)</sup>	110,347,154	15.03	–	–

**Notes:**

- (1) Dato' Sri Dr Tiong Ik King's deemed interest arises from his shareholding in Woodsville International Limited, the holding company of Surreyville Pte Ltd ("**Surreyville**").
- (2) Dato' Sri Dr Tiong Ik King, Mr Tiong Kiong King and Tan Sri Datuk Sir Tiong Hiew King are brothers.
- (3) Tan Sri Datuk Sir Tiong Hiew King's aggregate deemed interest of 472,845,443 shares comprised of (i) 212,073,086 shares held by Surreyville, which arises from his shareholding in Woodsville International Limited, the holding company of Surreyville; (ii) 132,825,203 shares held by Sharptone Investments Limited ("**Sharptone**"), which arises from his shareholding in Sharptone; (iii) 110,347,154 shares held/owned by RH Capital Limited which arises from his shareholding in RH Capital Limited; and (iv) 17,600,000 shares held by Subur Tiasa Holdings Berhad ("**Subur Tiasa**"), which arises from his substantial shareholdings in Tiong Toh Siong Holdings Sdn. Bhd., Tiong Toh Siong Enterprises Sdn. Bhd., Tiong Toh Siong & Sons Sdn. Bhd. and Teck Sing Lik Enterprise Sdn. Bhd., which are shareholders/substantial shareholders of Subur Tiasa.
- (4) The Estate of Tiong Kiu King's deemed interest arises from its shareholding in Sharptone.
- (5) Computed based on the total issued share capital of 734,277,400 Shares.

### 7. PARTICULARS OF AWARDS UNDER THE SHARE PLAN AND EXISTING OPTIONS UNDER THE SCHEME

As at the Latest Practicable Date, an aggregate 2,000,000 New Shares have been issued to an eligible participant under share awards (the "**Share Awards**") granted under the Share Plan since the adoption of the Scheme on 8 July 2011. The 2,000,000 New Shares were issued to Dr Tan Jee-Theng, Tony, the Company's former Group CEO and Executive Director under two Share Awards, comprising 1,000,000 New Shares on 22 July 2011 (please refer to the Company's Announcement issued on 22 July 2011 (SGXNet Announcement No 140)) and 1,000,000 New Shares on 24 June 2013 (please refer to the Company's Announcement issued on 24 June 2013 (SGXNet Announcement No 58)). There are no outstanding contingent Share Awards under the Share Plan.



## LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, Options in respect of 23,152,300 Shares have been granted to 33 participants since the adoption of the Scheme on 8 July 2011, of which as at the Latest Practicable Date:

- (i) 3,000,000 New Shares have been issued to participants pursuant to Options granted;
- (ii) Options in respect of 10,990,000 Shares are outstanding; and
- (iii) Options in respect of 9,162,300 Shares have lapsed.

The aggregate number of Shares which may be issued under the Scheme is 110,141,610 Shares based on 15% of the total number of issued Shares as at the Latest Practicable Date, of which 84,989,310 Shares remain available for the grant of Options as at the Latest Practicable Date.

Details of the options to subscribe for ordinary shares of the Company granted to directors of the Company pursuant to the Scheme are as follows:

Name of director	Aggregate options granted since commencement of the Scheme to the latest practicable date	Options granted during financial year 2021	Aggregate options exercised since commencement of the Scheme to the latest practicable date	Aggregate options cancelled/ lapsed since commencement of the Scheme to the latest practicable date	Aggregate options outstanding as at the latest practicable date
Chang Cheng-Hsing Francis	6,800,000	1,000,000 <sup>(1)</sup>	–	1,800,000	6,000,000
Yeo Yun Seng Bernard	130,000	–	–	130,000	–
Lee Hock Lye	130,000	–	–	130,000	–
Achmad Lukman Kartanegara	50,000	–	–	50,000	–
<b>Total</b>	<b>7,110,000</b>	<b>1,000,000</b>	<b>–</b>	<b>2,110,000</b>	<b>6,000,000</b>

**Note:**

- (1) These options are exercisable between the periods from 6 March 2023 to 4 March 2026 at the exercise price of S\$0.024 if the vesting conditions are met.

### 8. DIRECTORS' RECOMMENDATION

Having considered, *inter alia*, the rationale for extension of and continued implementation of the Scheme and the Share Plan, the Directors are of the opinion that the Scheme and the Share Plan are in the best interests of the Company and Shareholders. However, in view of the Directors being eligible to participate in the Scheme and the Share Plan, they have accordingly abstained from making any recommendation on extension of and continued implementation of the Scheme and the Share Plan.

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## LETTER TO SHAREHOLDERS

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### 9. ACTION TO BE TAKEN BY SHAREHOLDERS

- (i) Specific Shareholders' approval will also be sought at the AGM for the participation of Dato' Sri Dr Tiong Ik King, being a Controlling Shareholder, and Tiong Kiong King, being an Associate of Controlling Shareholder of the Company, in the Scheme and Share Plan as set out in Ordinary Resolutions 13, 14, 15, 17 and 18. Dato' Sri Dr Tiong Ik King and Tiong Kiong King are both eligible to participate in, and are therefore interested in the Scheme and Share Plan and the grant of Options and Awards. Dato' Sri Dr Tiong Ik King and Tiong Kiong King will abstain from voting on the Ordinary Resolutions 12 to 18 relating to the (a) extension of and continued implementation of the Scheme and the Share Plan; (b) discount quantum; and (c) participation by controlling shareholders and their associates.
- (ii) Dato Sri Dr Tiong Ik King and Tiong Kiong King shall also decline to accept appointment as proxies for any Shareholder to vote in respect of each of the said Ordinary Resolutions 12 to 18 unless the Shareholder concerned shall have given instructions in his proxy form as to the manner in which the votes are to be cast in respect of Ordinary Resolutions 12 to 18.
- (iii) Shareholders (including Directors, Controlling Shareholders and an Associates of Controlling Shareholders) who are eligible to participate in the Scheme and the Share Plan will abstain from voting on any of the ordinary resolutions 12 to 18 proposed at the AGM, and should not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the independent Shareholders appointing them on how they wish their votes to be cast for each of the Ordinary Resolutions.
- (iv) As explained in the Notice, the AGM is convened and is to be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and as amended by COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No.2) Order 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No.3) Order 2020. In view of the COVID-19 restrictions imposed by the Government of Singapore, **members will not be able to attend the forthcoming AGM in person.** A member (whether individual or corporate) who wishes to exercise his/her/its voting rights at the forthcoming AGM must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM. A member should specifically indicate how the member wishes to vote for or vote against (or abstain from voting on) the resolutions. The instrument appointing a proxy must either be deposited at the Registered Office of the Company at 20 Harbour Drive, #06-03, Singapore 117612, or submitted to the Company by email to info@rhpetrogas.com, by 10.00 a.m. on 26 April 2021 (that is, not less than 48 hours before the time appointed for holding the above AGM). Members are strongly encouraged to submit the completed and signed PDF copies of their proxy forms to the Company via email.

### 10. DIRECTORS' RESPONSIBILITY STATEMENT

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

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## LETTER TO SHAREHOLDERS

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### 11. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 20 Harbour Drive, #06-03, Singapore 117612 during normal business hours from the date of this Letter up to the date of the AGM:

- (i) the Constitution of the Company;
- (ii) the Annual Report of the Company for financial year 2020;
- (iii) the rules of the RHP Share Option Scheme 2011; and
- (iv) the rules of the RHP Performance Share Plan.

Yours faithfully  
For and on behalf of the Board of Directors

Dato' Sri Dr. Tiong Ik King  
Non-Executive and Non-Independent Chairman

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## APPENDIX 1

### SUMMARY OF THE RHP SHARE OPTION SCHEME 2011

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The following are the principal terms of the Scheme and is qualified in its entirety by reference to the rules of the Scheme (the “Rules”) attached as Appendix 2 to this Letter. Capitalised terms used in this summary which are not otherwise defined in this summary bear the same meaning as ascribed to them in the Rules.

#### 1. Administration

The Scheme will be administered by members of the Committee. However, no member of the Committee will be involved in any deliberation or decision-making in respect of any Options to be offered or granted to him.

#### 2. Eligibility

The following persons are eligible to participate in the Scheme at the absolute discretion of the Committee:

- (i) full-time employees of the Group who are of the age of 18 years and above;
- (ii) directors of the Company and its subsidiaries (including Non-Executive Directors); and
- (iii) Associated Company Employees,

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are Controlling Shareholders and their Associates shall not participate in the Scheme unless:

- (a) written justification has been provided to Shareholders for their participation at the introduction of the Scheme or prior to the first Grant of Options to them;
- (b) the actual number and terms of any Options to be granted to them have been specifically approved by Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder; and
- (c) all conditions for their participation in the Scheme as may be required by the regulation of the SGX-ST from time to time are satisfied.

#### 3. Maximum Entitlement

Each Participant’s entitlement under the Scheme shall be determined by criteria including, but not limited to, the Participant’s work performance, years of service and potential for future development.

#### 4. Size of the Scheme

The aggregate number of New Shares in respect of which Options may be granted on any date under the Scheme, when added to (i) the number of New Shares issued and issuable in respect of all Options granted thereunder, and (ii) all New Shares issued and issuable pursuant to the Share Plan, shall not exceed fifteen per cent. (15%) of the number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) on the day immediately preceding the relevant Date of Grant.

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**APPENDIX 1**  
**SUMMARY OF THE RHP SHARE OPTION SCHEME 2011**

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**5. Date of Grant**

Options may be granted at any time during the period when the Scheme is in force provided that in the event that an announcement on any matter involving unpublished price sensitive information is made. Options may only be granted on or after the second Market Date on which such announcement is released.

**6. Acceptance of Options**

The grant of an Option by the Committee to a Grantee must be accepted not later than 5.00 p.m. on the thirtieth (30<sup>th</sup>) day from the Date of Grant. Upon acceptance of the Option, the Grantee must pay to the Company a consideration of S\$1.00. Unaccepted offers shall automatically lapse and become null and void upon the expiry of the thirty (30) day period. Options are personal to the persons to whom they are granted and shall not be transferred, charged, assigned or pledged or otherwise disposed of, in whole or in part except with the prior approval in writing of the Committee.

**7. Subscription Price**

For Incentive Options, the Subscription Price for each Share payable on the exercise of an Option shall be a price representing not more than twenty per cent. (20%) discount of the Market Price. Such a Subscription Price must be authorised in a separate resolution by Shareholders in a general meeting.

**8. Rights to Exercise Options**

Subject as provided in the Rules and any other conditions as may be introduced by the Committee from time to time, each Option shall be exercisable in whole or in part, during the relevant option period as follows:

- (i) in the case of a Market Price Option (as defined under paragraph 2.1 of Appendix 2 below), a period commencing after the first anniversary of the Date of Grant and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee), or such other period which may from time to time be prescribed under any relevant law, regulation or rule of the SGX-ST; and
- (ii) in the case of an Incentive Option granted at a discount of up to 20% of the Market Price, a period commencing after the second anniversary of the Date of Grant and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee), or such other period which may from time to time be prescribed under the relevant law, regulation or rule of the SGX-ST.

In the event of an Option being exercised in part only, the balance of the Option not thereby exercised shall continue to be exercisable in accordance with the Scheme until such time as it shall lapse in accordance with the Scheme.

**9. Alteration of Capital**

If a variation in the issued share capital of the Company occurs (whether by way of a bonus issue or a rights issue or the cancellation, reduction, subdivision or consolidation or distribution of Shares), the Subscription Price in respect of Shares comprised in an Option to the extent unexercised, the class and/or number of Shares comprised in an Option to the extent unexercised or in respect of which additional Options may be granted under the Scheme and the maximum entitlement in any financial year shall be adjusted in such manner as the Committee may determine to be appropriate. Except for bonus issues, a written confirmation of the auditors of the Company for the time being (acting only as experts and not as arbitrators) that in their opinion such adjustment is fair and reasonable, shall be procured. Provided always that no such adjustment shall be made if as a result a Participant receives a benefit that a Shareholder does not receive.

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**APPENDIX 1**  
**SUMMARY OF THE RHP SHARE OPTION SCHEME 2011**

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**10. Rights of New Shares**

Shares allotted and issued upon the exercise of an Option shall be subject to all provisions of the Constitution of the Company and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights, allotments or other distributions, the record date of which is prior to the date on which such an Option is exercised. For this purpose, “**record date**” means the date as at the close of business on which Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions.

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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**1. Name of the Scheme**

The Scheme shall be called the “**RHP Share Option Scheme 2011**”.

**2. Definitions**

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

“Acceptance Period” : The period within which an Option may be accepted, as described in Rule 7.1

“Act” or “Companies Act” : The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time

“Adoption Date” : The date on which the Scheme is adopted by the Shareholders at a general meeting

“Aggregate Subscription Cost” : The total amount payable for the Shares to be subscribed for on the exercise of an Option

“Associate” : (a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:

(i) his immediate family;

(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more

(b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more

“Associated Company” : A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries and over which the Company has Control

“Associated Company Employee” : An executive director of an Associated Company or a full-time employee of an Associated Company selected by the Committee to participate in the Scheme in accordance with the Scheme

“Auditors” : The auditors for the time being of the Company

“Board” : The board of directors for the time being of the Company

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“CDP”	:	The Central Depository (Pte) Limited
“CPF”	:	Central Provident Fund
“CPF Approved Nominees”	:	Agent banks included under the CPFIS
“Committee”	:	A committee comprising directors of the Company, duly authorised and appointed by the Board to administer the Scheme from time to time
“Company”	:	RH Petrogas Limited
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of that company being controlled
“Controlling Shareholder”	:	A person who (a) has an interest in the voting shares of the Company of an aggregate of not less than 15% of the total votes attached to all voting shares in the Company; or (b) in fact exercises Control over the Company
“Date of Grant”	:	In relation to an Option, the date on which an Option is granted
“Director”	:	A person holding office as a director for the time being of a Group Company
“Employee”	:	A full-time employee of a Group Company
“Executive Director”	:	A director of the Company and/or its subsidiaries or Associated Companies, as the case may be, who performs an executive function
“Exercise Period”	:	The period during which an Option is exercisable, being: <ul style="list-style-type: none"><li>(a) in the case of a Market Price Option which is granted to an Executive Director or an Employee, a period commencing after the 1<sup>st</sup> anniversary of the Date of Grant and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee), or such other period which may from time to time be prescribed under any relevant law, regulation or rule of the SGX-ST, subject as provided in Rules 9 and 10 of the Scheme and any other conditions as may be introduced by the Committee from time to time; and</li><li>(b) in the case of an Incentive Option which is granted to an Executive Director or an Employee, a period commencing after the second anniversary of the Date of Grant and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee), or such other period which may from time to time be prescribed under the relevant law, regulation or rule of the SGX-ST subject as provided in Rules 9 and 10 of the Scheme and any other conditions as may be introduced by the Committee from time to time</li></ul>



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“entity”	: Includes a corporation, an unincorporated association, a partnership and the government of any state, but does not include a trust
“Group”	: The Company and its subsidiaries, and “Group Company” shall mean any one of such companies
“Group Employee”	: Any Director of the Company or full-time employees of the Group who is of the age of 18 years and above
“Incentive Option”	: The right to subscribe for Shares granted or to be granted pursuant to the Scheme and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8.1.2 of the Scheme
“Letter of Offer”	: The forms found in Schedules A-1 and A-2 of the Scheme
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“Market Price”	: The average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST for a period of 3 consecutive Market Days immediately prior to the relevant Date of Grant of the Option, provided always that in the case of a Market Day on which the Shares of the Company were not traded on the SGX-ST, the last dealt price for a Share on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
“Market Price Option”	: The right to subscribe for Shares granted or to be granted pursuant to the Scheme and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8.1.1 of the Scheme
“Non-Executive Director”	: A director (other than an executive director) from time to time of the Company
“Offer Date”	: The date on which an Option is granted pursuant to Rule 6.1
“Option”	: The right to subscribe for new Shares granted or to be granted pursuant to the Scheme, which may be a Market Price Option and/or an Incentive Option, as the case may be
“Option Period”	: The period for the exercise of an Option as set out in Rule 9.1
“Participant”	: Any eligible person who is selected by the Committee to participate in the Scheme in accordance with the rules
“Rules”	: The rules of the Scheme, as the same may be amended from time to time

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“Scheme”	:	The RHP Share Option Scheme 2011, as modified or altered from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders for the time being of the Shares
“Shares”	:	Fully-paid ordinary shares each in the capital of the Company
“Subscription Price”	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option as determined in accordance with Rule 8.1.1 of the Scheme in relation to a Market Price Option or Rule 8.1.2 of the Scheme in relation to an Incentive Option, as adjusted in accordance with Rule 12 of the Scheme
“subsidiary holdings”	:	shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
“Substantial Shareholder”	:	Shall bear the meaning set out in Section 81 of the Companies Act
“Treasury Shares”	:	Issued Shares of the Company which is (or is treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and has since purchase been continuously held by the Company
“Vesting Schedule”	:	In relation to an Option, a schedule for the vesting and the exercise of the Shares comprised in the Option during the Exercise Period in relation to that Option as determined by the Committee on the Date of Grant of that Option
“S\$”	:	Singapore dollars
“%”	:	Per centum

- 2.2 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 Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act and used in these Rules shall have the meaning assigned to it under the Companies Act.
- 2.4 Words importing the singular number shall include the plural number where the context so admits and vice versa. Words importing the masculine gender shall include the feminine and neuter genders where the context so admits.
- 2.5 Any reference to a time of day shall be a reference to Singapore time.
- 2.6 Any reference to the Rules is a reference to the rules of the Scheme.
- 2.7 The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

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#### 3. Objectives

The Scheme is a share incentive scheme. The purpose of the Scheme is to provide an opportunity for directors and employees of the Group to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to those who have contributed to the success of the Company and the Group. The Scheme is proposed on the basis that it is important to acknowledge the contribution made by these directors and employees. The Company, by adopting the Scheme, will give Participants a stake in the Company with a view to achieving the following objectives:

- (i) to align the interests of the Participants with those of the Shareholders so as to motivate them to contribute towards future growth and profitability of the Group, and hence the maximisation of Shareholders value in the longer term;
- (ii) to provide additional means for the Group to attract, retain and motivate talented individuals and key employees whose contributions are essential to the long-term growth and profitability of the Group;
- (iii) to promote greater dedication, long-term commitment, loyalty and a sense of identification with the Group;
- (iv) to motivate and incentivise Participants to achieve performance targets;
- (v) to encourage Participants to aspire towards higher standards of performance and efficiency; and
- (vi) to promote cohesiveness and team spirit through common ownership of equity in the Company.

#### 4. Participants

4.1 The following persons are eligible to participate in the Scheme at the absolute discretion of the Committee:

- (i) full-time employees of the Group who are of the age of 18 years and above;
- (ii) directors of the Company and its subsidiaries; and
- (iii) Associated Company Employees

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are Controlling Shareholders and their Associates shall not participate in the Scheme unless:

- (a) written justification has been provided to Shareholders for their participation at the introduction of the Scheme or prior to the first Grant of Options to them;
- (b) the actual number and terms of any Options to be granted to them have been specifically approved by Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder; and
- (c) all conditions for their participation in the Scheme as may be required by the regulation of the SGX-ST from time to time are satisfied.

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

4.3 Subject to any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted and the Rules of the Scheme, the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Committee.

#### **5. Limitations on the Size of the Scheme**

5.1 The aggregate number of Shares over which Options may be granted, when added to the number of Shares issued and issuable in respect of all Options granted under the Scheme or other share-based incentive schemes of the Company (including any awards of new Shares granted under RHP Performance Share Plan), shall not exceed fifteen per cent. (15%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) on the date preceding the Offer Date of an Option.

5.2 With regard to Associates of Controlling Shareholders, the aggregate number of New Shares which may be granted to all Associate(s) of Controlling Shareholders will not exceed twenty five per cent. (25%) of all the New Shares available under the Scheme and such other share based incentive schemes of the Company (including any awards of new Shares granted under RHP Performance Share Plan), and that the number of New Shares issued and issuable to each of the Controlling Shareholders or their Associates shall not exceed ten per cent. (10%) of all the New Shares available under the Scheme and such other share based incentive schemes of the Company (including any awards of new Shares granted under RHP Performance Share Plan). Treasury Shares and subsidiary holdings (as defined in the Listing Manual) will be disregarded for purposes of computing the 25% and 10% limits.

5.3 The number of Shares in respect of which Options may be offered to any employee for subscription in accordance with the Scheme shall be determined at the absolute discretion of the Committee which shall take into account (where applicable) criteria such as rank, responsibilities, past performance, years of service, contributions to the Group and potential for future development of that employee.

#### **6. Offer Date**

6.1 The Committee may, subject to Rule 4, Rule 5 and Rule 12, grant Options at any time during the period when the Scheme is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, Options may only be granted on or after the second Market Day from the date on which such announcement is released.

6.2 The Letter of Offer to grant the Option shall be in, or substantially in, the form set out in Schedule A-1, subject to such modifications as the Committee may from time to time determine.

#### **7. Acceptance of Options**

7.1 The grant of an Option under this Rule 7 shall be accepted within thirty (30) days from the Offer Date of that Option, and in any event, not later than 5.00 pm on the 30th day from such Offer Date by completing, signing and returning the Acceptance Form in, or substantially in, the form set out in Schedule B-1, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1.00 as consideration. The Option is deemed not accepted until actual receipt by the Company of the Acceptance Form.

7.2 The Company shall be entitled at its absolute discretion to reject any purported acceptance of the grant of an Option made pursuant to this Rule 7 which does not strictly comply with the terms and conditions of the Scheme.

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- 7.3 An Option shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior written approval of the Committee.
- 7.4 In the event that the grant of an Option results in a contravention of any applicable law, subsidiary legislation or other regulation, such grant shall be null, void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 7.5 Unless the Committee determines otherwise, the grant of an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- 7.5.1 it is not accepted in the manner as provided in Rule 7.1 within the Acceptance Period; or
  - 7.5.2 the Participant dies prior to his acceptance of the Option; or
  - 7.5.3 the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
  - 7.5.4 the Participant ceases to be in the employment of the Group or Associated Company (as the case may be) or ceases to be a director of the Group or Associated Company (as the case may be), in each case, for any reason whatsoever, prior to his acceptance of the Option; or
  - 7.5.5 the Company is liquidated or wound up prior to the Participant's acceptance of the Option.

#### **8. Subscription Price**

- 8.1 Subject to any adjustment pursuant to Rule 12, the Subscription Price for each Share in respect of which an Option is exercisable shall be fixed by the Committee at:
- 8.1.1 the Market Price; or
  - 8.1.2 a price which is set at a discount to the Market Price, provided that:
    - 8.1.2.1 the maximum discount shall not exceed twenty per cent. (20%) of the Market Price; and
    - 8.1.2.2 the prior approval of the Shareholders of the Company in general meeting shall have been obtained for the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid in a separate resolution.

#### **9. Exercise of Options**

- 9.1 Subject as provided in this Rule 9 and Rule 10 and any other conditions as may be introduced by the Committee from time to time, each Option shall be exercisable, in whole or in part, as follows:
- 9.1.1 in the case of a Market Price Option, during the period commencing after the first anniversary of the Offer Date and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee); and
  - 9.1.2 in the case of an Incentive Option, during the period commencing after the second anniversary of the Offer Date and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee).

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- 9.2 In the event of an Option being exercised in part only, the balance of the Option not thereby exercised shall continue to be exercisable in accordance with the Scheme until such time as it shall lapse in accordance with the Scheme.
- 9.3 Unless otherwise decided by the Committee at its absolute discretion, an Option shall, to the extent unexercised, immediately lapse without any claim whatsoever against the Company:
- 9.3.1 subject to Rules 9.4 and 9.5, upon the Participant ceasing to be in the full-time employment of the Group or Associated Company (as the case may be) due to any reason whatsoever other than the reasons covered in Rule 9.4, or in the case of a Participant who is a Non-Executive Director of the Company, ceasing to be a director of the Company, for any reason whatsoever other than due to the reasons covered in Rule 9.4;
  - 9.3.2 upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option;
  - 9.3.3 in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion or any breach of any regulation of the Group, such breach being regarded as serious by the Committee in its absolute discretion; or
  - 9.3.4 upon the company by which the Participant is employed ceasing to be a company within the Group or an Associated Company (as the case may be), or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group.

For the purpose of Rule 9.3.1, the Participant shall be deemed to have ceased to be so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date.

- 9.4 If a Participant ceases to be employed by the Group by reason of his:
- 9.4.1 ill health, injury, death or disability (in each case, evidenced to the satisfaction of the Committee);
  - 9.4.2 redundancy;
  - 9.4.3 retirement at or after the legal retirement age; or
  - 9.4.4 retirement before the legal retirement age with the consent of the Committee; or
  - 9.4.5 completion of the term of his service contract,

or any other reason approved in writing by the Committee, he may, exercise any unexercised Option within the relevant Option Period and such unexercised Option shall continue to be exercisable by the Participant in the manner provided in the Scheme (unless otherwise decided by the Committee at its absolute discretion), and upon the expiry of such period, the Option shall immediately lapse and become null and void.

- 9.5 If a Participant dies and at the date of his death holds any unexercised Option, such Option may be exercised by the duly appointed legal personal representatives of the Participant within the relevant Option Period and such unexercised Option shall continue to be exercisable by the Participant in the manner provided in the Scheme (unless otherwise decided by the Committee at its absolute discretion), and upon the expiry of such period, the Option shall immediately lapse and become null and void.

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**10. Take-over and winding up**

10.1 Notwithstanding Rule 9 but subject to Rule 10.5, in the event of a take-over being made for the Shares, a Participant shall be entitled to exercise any Option held by him and as yet unexercised, in respect of such number of Shares comprised in that Option, in the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which such offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:

10.1.1 the expiry of six (6) months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (in either case, being a date falling not later than the expiry of the Option Period relating thereto); or

10.1.2 the date of expiry of the Option Period relating thereto,

whereupon any Option then remaining unexercised shall lapse and become null and void.

Provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Companies Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Participant until the expiry of such specified date or the expiry of the Option Period relating thereto, whichever is earlier. Any Option not so exercised shall lapse provided that the rights of acquisition or obligations to acquire shall have been exercised or performed, as the case may be. If such rights or obligations have not been exercised or performed, the Option shall, notwithstanding Rule 9, remain exercisable until the expiry of the Option Period relating thereto.

10.2 If: (i) under any applicable laws, 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 an order being made or a resolution being passed for the winding-up of the Company on the basis or by reason of its insolvency), or (ii) there is a change of Control of the Company, each Participant shall be entitled, notwithstanding Rule 9 but subject to Rule 10.5, to exercise any Option then held by him, in respect of such number of Shares comprised in that Option, during the period: (a) in the case of scenario (i) above, commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later, or (b) in the case of scenario (ii) above, commencing on the date upon which the change of Control becomes effective and ending on the expiry of sixty (60) days thereafter (but in either case, not after the expiry of the Option Period relating thereto), whereupon the Option shall lapse and become null and void.

10.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.

10.4 In the event that a notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date soon after it dispatches such notice to each member of the Company give notice thereof to all Participants (together with a notice of the existence of the provision of this Rule 10.4) and thereupon, each Participant (or his legal personal representative) shall be entitled to exercise all or any of his Options at any time not later than two (2) business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the Aggregate Subscription Cost whereupon the Company shall as soon as possible and in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Participant credited as fully paid.

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- 10.5 If in connection with the making of a general offer referred to in Rule 10.1 or an event referred to in Rule 10.2 or a winding-up referred to in Rule 10.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, as yet not exercised, may not, be permitted to exercise that Option as provided for in this Rule 10.
- 10.6 To the extent that an Option is not exercised within the periods referred to in this Rule 10, it shall lapse and become null and void.

#### 11. Manner of Exercise

- 11.1 Subject to Rule 9.1, an Option may be exercised, in whole or in part, by a Participant giving notice in writing to the Company in, or substantially in, the form set out in Schedule C-1 and Schedule C-2, subject to such modification as the Committee may from time to time determine. Such notice must be accompanied by payment in cash for the Aggregate Subscription Cost in respect of the Shares for which that Option is exercised and any other documentation the Committee may require. An Option shall be deemed to be exercised upon receipt by the Company of the said notice, duly completed, the relevant documentation required by the Committee and the Aggregate Subscription Cost.
- 11.2 All payments shall be made by cheque, cashiers' order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Committee.
- 11.3 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the Scheme and the Constitution of the Company, the Company shall, within ten (10) Market Days after the exercise of an Option, allot the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit.
- 11.4 The Company shall, as soon as practicable after such allotment, apply to the SGX-ST (and any other stock exchange on which the Shares are quoted or listed) for permission to deal in and for quotation of such Shares, if necessary.
- 11.5 Shares which are allotted on the exercise of an Option by a Participant shall be issued in the name of CDP to the credit of the securities account of that Participant maintained with CDP, the securities sub-account of that Participant maintained with a Depository Agent or the CPF investment account maintained with a CPF agent bank.
- 11.6 Shares allotted and issued on the exercise of an Option shall be subject to all the provisions of the Companies Act and the Constitution of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls on or after the relevant exercise date of the Option, and shall in all other respects rank *pari passu* with other existing Shares then in issue. "**Record Date**" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

#### 12. Variation of Capital

- 12.1 If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place:
- 12.1.1 the Subscription Price for the Shares, the class and/or number of Shares comprised in an Option to the extent unexercised; and/or
- 12.1.2 the class and/or number of Shares over which additional Options may be granted under the Scheme, shall be adjusted in such manner as the Committee may deem to be appropriate.



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12.2 Unless the Committee considers an adjustment to be appropriate:

12.2.1 the issue of securities as consideration for an acquisition or a private placement of securities; or

12.2.2 the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

12.3 Notwithstanding the provisions of Rule 12.1:

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

12.3.2 no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

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

**13. Administration**

13.1 The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options granted or to be granted to him.

13.2 The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as they think fit. Any matter pertaining to the Scheme and any dispute and uncertainty as to the interpretation of the Scheme, any rule, regulation or procedure thereunder or any rights under the Scheme shall be determined by the Committee.

13.3 Neither the Scheme nor the grant of Options under the Scheme shall impose on the Company or the Committee any liability whatsoever in connection with:

13.3.1 the lapsing or early expiry of any Options pursuant to any provision of the Scheme;

13.3.2 the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Scheme; and/or

13.3.3 any decision or determination of the Committee made pursuant to any provision of the Scheme.

13.4 Any decision or determination of the Committee made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors) shall be final, binding and conclusive.

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**14. Notices and Annual Report**

- 14.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.
- 14.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 14.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 14.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.
- 14.4 The Company shall disclose the following (as applicable) in its annual report for so long as the Scheme continues in operation:
- 14.4.1 the names of the members of the Committee administering the Scheme; and
- 14.4.2 the information required in the table below for the following Participants:
- 14.4.2.1 directors of the Company;
- 14.4.2.2 Participant who is a Controlling Shareholder and an Associate of Controlling Shareholders; and
- 14.4.2.3 Participants, other than those in Rule 14.4.2.1 and 14.4.2.2 above, who receive 5% or more of the total number of Shares available under the Scheme.

Name of Participant	Number of Shares comprised in Options granted during financial year under review (including terms)	Aggregate number of Shares comprised in Options granted since commencement of Scheme to end of financial year under review	Aggregate number of Shares comprised in Options exercised since commencement of Scheme to end of financial year under review	Aggregate number of Shares comprised in Options outstanding as at end of financial year under review

14.4.3 In respect of Incentive Options, the following disclosure shall be made:

- 14.4.3.1 the number of Incentive Options granted at a discount of 10% or less and proportion to Market Price Options during the financial year under review; and
- 14.4.3.2 the number of Incentive Options granted at a discount of more than 10% and proportion to Market Price Options during the financial year under review.

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

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**15. Modifications to the Scheme**

- 15.1 Any or all the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:
- 15.1.1 no modification or alteration shall alter adversely the rights attaching to any Option granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters in the number of all the Shares which would fall to be allotted upon exercise in full of all outstanding Options;
  - 15.1.2 any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of the Shareholders in general meeting; and
  - 15.1.3 no modification or alteration shall be made without the prior approval of such regulatory authorities as may be necessary, and any modification or alteration shall comply with the listing rules of SGX-ST.
- 15.2 Notwithstanding anything to the contrary contained in Rule 15.1, the Committee may at any time by resolution (and without other formality) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the provisions or regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 15.3 Written notice of any modification or alteration made in accordance with this Rule 15 shall be given to all Participants.

**16. Terms of employment unaffected**

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

**17. Duration of the Scheme**

- 17.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten years commencing on the Adoption Date, provided always that the Scheme may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.
- 17.2 The Scheme may be terminated at any time by the Committee or, at the discretion of the Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 17.3 The termination, discontinuance or expiry of the Scheme shall not affect Options which have been granted and accepted as provided in Rule 7.1, whether such Options have been exercised (whether fully or partially) or not.

**18. Taxes**

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

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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**19. Costs and expenses**

- 19.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent or CPF investment account with a CPF agent bank.
- 19.2 Save for the taxes referred to in Rule 18 and such other costs and expenses expressly provided in the Scheme to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment and issue of Shares pursuant to the exercise of any Option shall be borne by the Company.

**20. Disclaimer of liability**

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing the Shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 11.4 (and any other stock exchange on which the Shares are quoted or listed).

**21. Abstention from voting**

Shareholders (including Directors, Controlling Shareholders and an Associates of Controlling Shareholders) who are eligible to participate in the Scheme shall abstain from voting on any resolution relating to the Scheme.

**22. Disputes**

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

**23. Condition of Option**

Every Option shall be subject to the condition that no Shares shall be issued pursuant to the exercise of an Option if such issue 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.

**24. Governing law**

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

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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Schedule A-1

**RHP SHARE OPTION SCHEME 2011**  
**LETTER OF OFFER (MARKET PRICE OPTION)**

Serial No:

Date :

To : [Name]  
[Designation]  
[Address]

**Private and Confidential**

Dear Sir/Madam,

We have the pleasure of informing you that you have been nominated to participate in the RHP Share Option Scheme 2011 (the "**Scheme**") by the Committee appointed by the Board of Directors of RH Petrogas Limited (the "**Company**") to administer the Scheme. The offer contained herein shall be subject to the terms and conditions of the Scheme. Terms as defined in the Scheme shall have the same meaning when used in this letter.

Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you a Market Price Option (the "**Option**") to subscribe for and be allotted \_\_\_\_\_ Shares at the price of S\$ \_\_\_\_\_ for each Share.

The Option shall be exercisable after\_\_\_\_\_. The right of exercise will terminate on \_\_\_\_\_, being the tenth anniversary of the date of grant of the Option.

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

The Option shall be subject to the terms and conditions of this Letter of Offer and the Scheme (as the same may be amended from time to time pursuant to the terms and conditions of the Scheme), a copy of which is enclosed herewith.

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

Yours faithfully  
For and on behalf of  
**RH PETROGAS LIMITED**

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Name:  
Designation:

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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Schedule A-2

**RHP SHARE OPTION SCHEME 2011**  
**LETTER OF OFFER (INCENTIVE OPTION)**

Serial No:

Date :

To : [Name]  
[Designation]  
[Address]

**Private and Confidential**

Dear Sir/Madam,

We have the pleasure of informing you that you have been nominated to participate in the RHP Share Option Scheme 2011 (the “**Scheme**”) by the Committee appointed by the Board of Directors of RH Petrogas Limited (the “**Company**”) to administer the Scheme. The offer contained herein shall be subject to the terms and conditions of the Scheme. Terms as defined in the Scheme shall have the same meaning when used in this letter.

Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you an Incentive Option (the “**Option**”) to subscribe for and be allotted \_\_\_\_\_ Shares at the discounted price of S\$ \_\_\_\_\_ for each Share (being the subscription price of \$ \_\_\_\_\_ less a discount of \_\_\_\_\_ %).

The Option shall be exercisable after \_\_\_\_\_. The right of exercise will terminate on \_\_\_\_\_, being the tenth anniversary of the date of grant of the Option.

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

The Option shall be subject to the terms and conditions of this Letter of Offer and the Scheme (as the same may be amended from time to time pursuant to the terms and conditions of the Scheme), a copy of which is enclosed herewith.

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

Yours faithfully  
For and on behalf of  
**RH PETROGAS LIMITED**

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Name:  
Designation:

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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Schedule B-1

**RHP SHARE OPTION SCHEME 2011**  
**ACCEPTANCE FORM (MARKET PRICE OPTION)**

Serial No:

Date :

To : The Committee  
RHP Share Option Scheme 2011

Closing Date for Acceptance of Offer :

Number of Shares Offered :

Subscription Price for each Share : S\$

Total Amount Payable : S\$  
(exclusive of the relevant CDP charges)

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

I hereby accept the Market Price Option to subscribe for \_\_\_\_\_ Shares at S\$ \_\_\_\_\_ for each Share and enclose cash for S\$1.00 in payment for the purchase of the Option.

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

I also understand that I shall be responsible for all the fees of CDP (if applicable) relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP, or my securities sub-account with a CDP Depository Agent (as the case may be) (collectively, the "**CDP charges**").

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of the Shares or options to subscribe for such Shares.

I agree to keep all information pertaining to the grant of the Option to me strictly confidential.

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

**PLEASE PRINT IN BLOCK LETTERS**

Name in full :

Designation :

Address :

Nationality :

\*NRIC/Passport No. :

Signature :

Date :

*\*Delete accordingly*

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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**Schedule B-2**

**RHP SHARE OPTION SCHEME 2011**  
**ACCEPTANCE FORM (INCENTIVE OPTION)**

Serial No:

Date :

To : The Committee  
RHP Share Option Scheme 2011

Closing Date for Acceptance of Offer :

Number of Shares Offered :

Subscription Price for each Share : S\$

Total Amount Payable : S\$  
(exclusive of the relevant CDP charges)

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

I hereby accept the Incentive Option to subscribe for \_\_\_\_\_ Shares at a discounted price of S\$ \_\_\_\_\_ for each Share and enclose cash for S\$1.00 in payment for the purchase of the Option.

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

I also understand that I shall be responsible for all the fees of CDP (if applicable) relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP, or my securities sub-account with a CDP Depository Agent (as the case may be) (collectively, the "**CDP charges**").

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of the Shares or options to subscribe for such Shares.

I agree to keep all information pertaining to the grant of the Option to me strictly confidential.

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

**PLEASE PRINT IN BLOCK LETTERS**

Name in full :

Designation :

Address :

Nationality :

\*NRIC/Passport No. :

Signature :

Date :

\* Delete accordingly



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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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Schedule C-1

**RHP SHARE OPTION SCHEME 2011**  
**FORM OF EXERCISE OF OPTION (MARKET PRICE OPTION)**

Date :

To : The Committee  
RHP Share Option Scheme 2011

Total number of ordinary shares (the "**Shares**")  
offered at S\$ \_\_\_\_\_ for each Share  
under the Scheme on \_\_\_\_\_ (Offer Date) : \_\_\_\_\_

Number of Shares previously allotted thereunder : \_\_\_\_\_

Outstanding balance of Shares to be allotted thereunder : \_\_\_\_\_

Number of Shares now to be subscribed : \_\_\_\_\_

1. Pursuant to your Letter of Offer dated \_\_\_\_\_ and my acceptance thereof,  
I hereby exercise the Market Price Option to subscribe for \_\_\_\_\_ Shares in RH  
Petrogas Limited (the "**Company**") at S\$ \_\_\_\_\_ for each Share.

2. I hereby request the Company to allot and issue the said Shares in the name of The Central  
Depository (Pte) Limited ("**CDP**") to the credit of my \*Securities Account with CDP/ Sub-Account  
with the Depository Agent/CPF investment account with my Agent Bank specified below and to  
deliver the share certificate(s) relating thereto to CDP at my own risk. I further agree to bear such  
fees or other charges as may be imposed by CDP and any stamp duty payable in respect thereof:

\* (i) Direct Securities Account No. :

\* (ii) Securities Sub-Account No. :

Name of Depository Agent :

\* (iii) CPF Investment Account No. :

Name of Agent Bank :

3(A). I enclose a \*cheque/cashier's order/banker's draft/postal order no. \_\_\_\_\_ for  
S\$ \_\_\_\_\_ in payment for the subscription for the total number of the said Shares.

3(B). I wish to pay the total subscription price of \$ \_\_\_\_\_ ("**Aggregate Subscription Cost**")  
for the said Shares by utilising CPF monies standing to the credit of my CPF investment account  
specified below. I enclose herewith the CPF withdrawal form and irrevocably and unconditionally  
authorise the Company to obtain or disclose all necessary information from or to the agent  
bank named below, to submit the above-mentioned form to the said agent bank and to request  
such agent bank to forward the cashier's order or cheque for an amount equal to the Aggregate  
Subscription Cost in payment for the said Shares to the Company. I agree that the Company shall  
not in any way be liable if for any reason whatsoever the cashier's order or cheque is not issued or  
is not received by the Company. I request the Company to allot and issue the said Shares referred  
to in paragraph 1 above in the name of The Central Depository (Pte) Limited (the "**Depository**")  
and to deliver to the Depository the certificate(s) for the Shares for credit to the securities account

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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of such nominee of the agent bank as shall have been notified by the agent bank to the Company and I hereby agree to bear such fees or other charges as may be imposed by the Depository and any stamp duty payable in respect thereof.

CPF Investment Account No. : \_\_\_\_\_

Name of Agent Bank : \_\_\_\_\_

4. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the RHP Share Option Scheme (as the same may be amended pursuant to the terms thereof from time to time) and the Constitution of the Company.
5. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.

**PLEASE PRINT IN BLOCK LETTERS**

Name in full :

Designation :

Address :

Nationality :

\*NRIC/Passport No. :

Signature :

Date :

*\* Delete accordingly*

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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**Schedule C-2**

**RHP SHARE OPTION SCHEME 2011**  
**FORM OF EXERCISE OF OPTION (INCENTIVE OPTION)**

Date :

To : The Committee  
RHP Share Option Scheme 2011

Total number of ordinary shares (the “**Shares**”) offered at S\$ \_\_\_\_\_ for each Share under the Scheme on \_\_\_\_\_ (Offer Date) : \_\_\_\_\_

Number of Shares previously allotted thereunder : \_\_\_\_\_

Outstanding balance of Shares to be allotted thereunder : \_\_\_\_\_

Number of Shares now to be subscribed : \_\_\_\_\_

1. Pursuant to your Letter of Offer dated \_\_\_\_\_ and my acceptance thereof, I hereby exercise the Incentive Option to subscribe for \_\_\_\_\_ Shares in RH Petrogas Limited (the “**Company**”) at the discounted price of S\$ \_\_\_\_\_ for each Share.

2. I hereby request the Company to allot and issue the said Shares in the name of The Central Depository (Pte) Limited (“**CDP**”) to the credit of my \*Securities Account with CDP/ Sub-Account with the Depository Agent/CPF investment account with my Agent Bank specified below and to deliver the share certificate(s) relating thereto to CDP at my own risk. I further agree to bear such fees or other charges as may be imposed by CDP and any stamp duty payable in respect thereof:

\* (i) Direct Securities Account No. :

\* (ii) Securities Sub-Account No. :

Name of Depository Agent :

\* (iii) CPF Investment Account No. :

Name of Agent Bank :

3(A). I enclose a \*cheque/cashier’s order/banker’s draft/postal order no. \_\_\_\_\_ for S\$ \_\_\_\_\_ in payment for the subscription for the total number of the said Shares.

3(B). I wish to pay the total subscription price of \$ \_\_\_\_\_ (“**Aggregate Subscription Cost**”) for the said Shares by utilising CPF monies standing to the credit of my CPF investment account specified below. I enclose herewith the CPF withdrawal form and irrevocably and unconditionally authorise the Company to obtain or disclose all necessary information from or to the agent bank named below, to submit the above-mentioned form to the said agent bank and to request such agent bank to forward the cashier’s order or cheque for an amount equal to the Aggregate Subscription Cost in payment for the said Shares to the Company. I agree that the Company shall not in any way be liable if for any reason whatsoever the cashier’s order or cheque is not issued or is not received by the Company. I request the Company to allot and issue the said Shares referred to in paragraph 1 above in the name of The Central Depository (Pte) Limited (the “**Depository**”) and to deliver to the Depository the certificate(s) for the Shares for credit to the securities account

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**APPENDIX 2**  
**RULES OF THE RHP SHARE OPTION SCHEME 2011**

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of such nominee of the agent bank as shall have been notified by the agent bank to the Company and I hereby agree to bear such fees or other charges as may be imposed by the Depository and any stamp duty payable in respect thereof.

CPF Investment Account No. : \_\_\_\_\_

Name of Agent Bank : \_\_\_\_\_

4. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the RHP Share Option Scheme (as the same may be amended pursuant to the terms thereof from time to time) and the Constitution of the Company.
5. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.

**PLEASE PRINT IN BLOCK LETTERS**

Name in full :

Designation :

Address :

Nationality :

\*NRIC/Passport No. :

Signature :

Date :

*\* Delete accordingly*

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## APPENDIX 3

### SUMMARY OF THE RHP PERFORMANCE SHARE PLAN

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The following are the principal terms of the Share Plan and is qualified in its entirety by reference to the rules of the Share Plan (the “**Rules**”) attached as Appendix 4 to this Letter. Capitalised terms used in this summary which are not otherwise defined in this summary bear the same meaning as ascribed to them in the Rules.

#### 1. Eligibility

The following persons are eligible to participate in the Share Plan at the absolute discretion of the Committee:

- (i) full-time managers and those listed above them in the organisation charts of the Group who are of the age of 18 years and above; and
- (ii) directors of the Company and its subsidiaries (including Non-Executive Directors)

who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are Controlling Shareholders and their Associates shall not participate in the Share Plan unless:

- (a) written justification has been provided to Shareholders for their participation at the introduction of the Share Plan or prior to the first Grant of Awards to them;
- (b) the actual number and terms of any Shares to be granted to them have been specifically approved by Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder; and
- (c) all conditions for their participation in the Share Plan as may be required by the regulation of the SGX-ST from time to time are satisfied.

#### 2. Operation of the Share Plan

Subject to the prevailing legislation and the rules of the Listing Manual, the Company will have the flexibility to deliver Shares to Participants up on vesting of their Awards by way of:

- (i) an issue of new Shares; or
- (ii) the purchase of existing Shares.

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

#### 3. Share Plan Administration

The Share Plan shall be administered by the Committee with such discretion, powers and duties as are conferred on it by the Board of Directors. A member of the Committee shall not be involved in the deliberations of the Committee in respect of the grant of Awards to him. In exercising its discretion, the Committee must act in accordance with any guidelines that may be provided by the Board of Directors. The Committee shall refer any matter not falling within the scope of its terms of reference to the Board of Directors. Shareholders who are eligible to participate in the Share Plan shall abstain from voting on any resolution relating to the Share Plan.

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## APPENDIX 3

### SUMMARY OF THE RHP PERFORMANCE SHARE PLAN

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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 Share Plan) for the implementation and administration of the Share Plan, to give effect to the provisions of the Share Plan and/or to enhance the benefit of the Awards and the released Awards to the Participants, as it may, in its absolute discretion, think fit.

Any decision of the Committee, made pursuant to any provision of the Share Plan (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to the interpretation of the Share Plan or any rule, regulation, or procedure thereunder or as to any rights under the Share Plan).

#### 4. Grant of Awards

Awards represent the right conferred by the Company on a Participant to be issued or transferred Shares in the Company, free of charge, in accordance with the Share Plan.

The Committee may grant Awards at any time, provided that in the event that an announcement on any matter involving unpublished price sensitive information is made, Awards may only be granted after the second Market Day following the aforesaid announcement. Where the Grant of Awards to any Participant is subject to approval of specific resolution at a general meeting, the Committee shall grant such approved Awards within 30 days from the conclusion of the general meeting that approved the resolution.

The Committee shall decide, in relation to each Award:

- (i) the Participant;
- (ii) the Grant Date;
- (iii) the number of Shares which are the subject of the Award; and
- (iv) in the case of a performance related Award, the performance period and the Performance Condition.

The offer of the Award shall be personal to the Participant to whom it is granted and any Award granted and accepted by a Participant under the Share Plan shall not be transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part unless approved by the Committee, but may be exercised by the Participant's duly appointed personal representative in the event of the death of the Participant.

The Committee may in the case of performance-related Awards, amend or waive the Vesting Period(s), the performance period and/or the Performance Condition in respect of any Award in the absolute discretion of the Committee:

- (a) if anything happens which causes the Committee to conclude that:
  - (aa) an amended Performance Condition would be a fairer measure of performance and would be no less difficult to satisfy; or
  - (bb) the Performance Condition should be waived; or
- (b) in the event of a general offer (whether conditional or unconditional) being made for all or any part of the Shares of the Company, or a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the court under the Act, or a proposal to liquidate or sell all or substantially all of the assets of the Company;

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## APPENDIX 3

### SUMMARY OF THE RHP PERFORMANCE SHARE PLAN

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

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

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

#### 5. Acceptance of Awards

The grant of an Award to a Participant shall be accepted by the Participant within 30 days from the Grant Date. The Participant may accept or refuse the whole but not part of the offer.

The Committee shall within 15 Market Days of receipt of the Acceptance Form acknowledge receipt thereof.

If the grant of an Award is not accepted by the Participant within 30 days from the Grant Date, such offer shall upon the expiry of the 30-day period automatically lapse and shall be null and void.

#### 6. Release of Awards

Subject as provided in the Share Plan, an Award shall be released, in accordance with any conditions that the Committee may, in its absolute discretion specify in the Letter of Offer.

Shares which are the subject of a released award shall be vested to a Participant on the vesting date, which shall be a Market Day falling as soon as practicable after the review by the Committee and on the vesting date, the Committee will procure the allotment of such new Shares and/or transfer of such existing Shares (including Treasury Shares) to each Participant of the number of Shares so determined in accordance with the Award.

Where new Shares are allotted upon the vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for the listing and quotation of such Shares.

New Shares which are allotted and/or existing Shares (including Treasury Shares) which are transferred on the Release of an Award to a Participant shall be registered in the name of, or transferred to, CDP to the credit of the Securities Account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent.

(a) New Shares allotted and issued; (b) existing Shares procured by the Company on behalf of the Participants for transfer; and (c) Treasury Shares held by the Company for transfer, upon the Release of an Award shall be subject to all the provisions of the Constitution of the Company, and rank for any dividend, right, allotment by other distribution the Record Date of which is on or after the relevant vesting date and (subject as aforesaid) will rank *pari passu* in all respects with the Shares then existing.

#### 7. Events Prior to Vesting Date

Unless otherwise decided in the absolute discretion of the Committee, an Award to the extent not yet released, shall forthwith become void and cease to have effect on the occurrence of any of the following events (and in such an event, the Participant shall have no claim whatsoever against the Company, its Directors or employees):

- (i) misconduct on the part of the Participant as determined by the Committee in its discretion;

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### APPENDIX 3

## SUMMARY OF THE RHP PERFORMANCE SHARE PLAN

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- (ii) the Participant, for any reason whatsoever (whether by reason of wrongful dismissal or otherwise) ceases to be in the employment of the Company and/or any subsidiary or in the event the company by which the Employee is employed ceases to be a company in the Group; and/or
- (iii) the Participant commits any breach of any of the terms of his Awards.

The Awards shall be deemed not to have become void nor cease to have effect in accordance with the Share Plan if a Participant ceases to be employed before the Release by reason of:

- (a) death of the Participant;
- (b) ill-health, injury, disability or accident (in each case evidenced to the satisfaction of the Committee);
- (c) any other ground where the Release of the Award has been approved by the Committee in writing,

the Committee may at its absolute discretion waive the Vesting Period for all or any of the Awards not yet released to the Participant or his duly appointed representative(s) under any of the above stated circumstances.

In the event of a take-over offer (whether conditional or unconditional) being made for all or any part of the Shares of the Company, all Awards to the extent not yet released shall be released to all Participants and the Vesting Period waived so that they be entitled to exercise their rights under the take-over offer, on the date on which such take-over offer becomes or is declared unconditional, as the case may be.

If before the vesting date, any of the following occurs:

- (I) a Participant does or suffers any act or thing whereby he would or might be deprived of the legal or beneficial ownership of his Award;
- (II) a Participant commits an act of bankruptcy or is subject to a petition for bankruptcy;
- (III) a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Act;
- (IV) an order for the compulsory winding up of the Company is made; or
- (V) a resolution for a voluntary winding up (other than for amalgamation or reconstruction) of the Company being made,

the Committee may consider, at its absolute discretion, whether or not to Release any Award. If the Committee decides to Release 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 Vesting Period(s) which has elapsed and the extent to which the Performance Condition (if any) has been satisfied. Where Awards are released, the Committee will, as soon as practicable after Awards have been released, procure the allotment of such new Shares and/or transfer of such existing Shares (including Treasury Shares) to each Participant of the number of Shares so determined in accordance with such Award, such allotment and/or transfer to be made in accordance with the Share Plan.



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## APPENDIX 3

### SUMMARY OF THE RHP PERFORMANCE SHARE PLAN

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#### 8. Duration of the Share Plan

The Share 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 Share Plan comes into effect, provided always that the Share Plan may continue beyond the above stipulated period with the approval of the Company's Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The termination of the Share Plan shall not affect Awards which have been granted and accepted as provided in the Share Plan whether such Awards have been released (whether fully or partially) or not.

#### 9. Adjustment Events

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

- (i) the class and/or the number of shares which are the subject of an Award to the extent not yet Vested and the rights attached thereto; and/or
- (ii) the class and/or the maximum number of shares over which Awards may be granted under the Share Plan,

may at the option of the Committee be adjusted and in such manner as the Committee may determine to be appropriate.

No adjustment shall be made if, as a result the Participant receives a benefit that a Shareholder does not receive and any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for a private placement of shares or as consideration for or in connection with an acquisition of any assets or upon the exercise of any options or conversion of any loan stock or any other securities convertible into shares or subscription rights of any warrants or the cancellation of issued shares purchased or acquired by the Company by way of a market purchase of such shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders of the Company (including any renewal of such mandate) is in force, will not be regarded as circumstance requiring adjustment.

When any adjustment has to be made pursuant to the Share Plan, the Company shall notify the participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and number of new Shares and/or existing Shares (including Treasury Shares) thereafter to be issued or transferred respectively on the vesting of an Award and the date on which any adjustment shall take effect.

The Committee may, in any circumstances where it considers that no adjustment should be made or that it should take effect on a different date or that an adjustment should be made notwithstanding that no adjustment is required under the said provisions (as the case may be), request the Auditors to consider whether for any reasons whatsoever the adjustment or the absence of an adjustment is appropriate or inappropriate as the case may be, and, after such consideration, no adjustment shall take place or the adjustment shall be modified or nullified or an adjustment made (instead of no adjustment made) in such manner and on such date as shall be considered by such Auditors (acting only as experts and not as arbitrators) to be in their opinion appropriate.

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**SUMMARY OF THE RHP PERFORMANCE SHARE PLAN**

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**10. Modifications to the Share Plan**

Any or all of the provisions of the Share Plan may be modified and/or altered at any time and from time to time by resolution of the Board on the recommendation of the Committee, save that:

- (i) any modification or alteration which materially and adversely alters the rights attaching to any Award granted prior to such modification or alteration may only be made with the consent in writing of such number of Participants who, if the Awards were released to them upon the expiry of all the Vesting Periods applicable to the Awards, would together hold not less than three-quarters (3/4) in aggregate number of Shares which would fall to be Vested upon the Release of all outstanding Awards held by all participants who respond to the Company's request for such consent within 21 days of the Company's despatch of the request; and
- (ii) any modification or alteration which would be to the advantage of the Participants under the Share Plan shall be subject to the prior approval of the Company's Shareholders in general meeting.

The opinion of the Committee as to whether any modification or alteration would materially and adversely alter the rights attaching to any Award or be to the advantage of the Participants shall be final and conclusive.

The Committee may at any time by resolution (and without other formality or approval of the Participants, save for the prior approval of the SGX-ST) amend or alter the Share Plan in any way to the extent necessary to cause the Share Plan to comply with any statutory provision or the provision of the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

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

**11. Disclosure in Annual Report**

The Company shall make the following disclosures in its annual report:

- (i) The names of the members of the Committee administering the Share Plan;
- (ii) The information in the table below for Participants who are Directors, Controlling Shareholders and Associates of Controlling Shareholders and who receive 5% or more of the total number of Shares available under the Share Plan;

Name of Participant	Awards granted during the financial year under review (including terms)	Aggregate Awards granted since commencement of Share Plan to end of financial year under review	Aggregate Awards released since commencement of Share Plan to end of financial year under review	Aggregate Awards as not yet released at end of financial year under review

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- (iii) (aa) the names of and number and terms of Awards granted to each employee of the parent company and its subsidiaries who receives 5% or more of the total number of Awards available to all employees of the parent company and its subsidiaries under the Share Plan, during the financial year under review; and
- (bb) the aggregate number of Awards granted to the employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of the scheme to the end of the financial year under review.
- (iv) If any of the above is not applicable, an appropriate negative statement must be included; and
- (v) Participants were not required to pay for the Grant of any Awards to them.

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## APPENDIX 4

### RULES OF THE RHP PERFORMANCE SHARE PLAN

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#### 1. Name of the Performance Share Plan

The Performance Share Plan shall be called the “**RHP Performance Share Plan**”.

#### 2. Definitions

2.1 In the Performance Share Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Adoption Date” : The date on which the Performance Share Plan is adopted by the Company in an extraordinary general meeting

“Associate” : (a) in relation to any director, chief executive officer, substantial or controlling shareholder of a corporation (being an individual) means:

(i) his immediate family;

(ii) a trustee, acting in his capacity as such trustee, of any trust of which the individual or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any corporation in which he and his immediate family (directly or indirectly) have interests in voting shares of an aggregate of not less than 30% of the total votes attached to all voting shares

(b) in relation to a substantial shareholder or controlling shareholder of a corporation (being a corporation) any other corporation 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 interests in voting shares of an aggregate of not less than 30% of the total votes attached to all voting shares

“Auditors” : The auditors of the Company for the time being

“Award” : A contingent award of Shares under the RHP Performance Share Plan

“Awards Committee” : A committee comprising directors of the Company, duly authorised, appointed and nominated by the Board to administer the Performance Share Plan from time to time

“Board” : The board of directors for the time being of the Company

“CDP” : The Central Depository (Pte) Limited

“Company” : RH Petrogas Limited, a company incorporated in the Republic of Singapore

“Companies Act” : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time

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“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
“Controlling Shareholder”	:	A person who (a) holds directly or indirectly 15% or more of the aggregate of the votes attached to all the voting Shares in the Company (unless determined otherwise by the SGX-ST); or (b) in fact exercises Control over the Company
“Executive Director”	:	A director of the Company and/or its subsidiaries or Associated Companies, as the case may be, who is an employee of the Group
“Executive Officer”	:	The executive officer of the Group
“Group Employee”	:	Any director of the Company or full-time employees of the Group who is of the age of 18 years and above
“Group”	:	The Company and its subsidiaries, and “Group Company” shall mean any one of such companies
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Market Price”	:	The average of the dealt price for a Share as determined by reference to the last dealt prices of the Shares for the three (3) consecutive Market Days immediately preceding the date on which the Award shall be vested
“Non-Executive Director”	:	A director of the Company who is not an Executive Director
“Participant”	:	Any eligible person who is selected by the Awards Committee to participate in the Performance Share Plan in accordance with the rules thereof
“Performance Share Plan”	:	RHP Performance Share Plan, as may be modified or altered from time to time
“Performance Target(s)”	:	The performance target(s) prescribed by the Awards Committee to be fulfilled by a Participant for any particular period under the Performance Share Plan
“Rules”	:	The rules of the Performance Share Plan, as the same may be amended from time to time
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register

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- “Shares” : Ordinary shares in the capital of the Company
- “Vesting Period” : In relation to an Award, a period or periods the duration of which is to be determined by the Committee at the date of the grant of the Award
- “S\$” : Singapore dollars

- 2.2 The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act. The term “Treasury Shares” shall have the meaning ascribed to it in Section 4 of the Companies Act.
- 2.3 The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.
- 2.4 Words importing the singular shall where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.
- 2.5 Any reference in the Performance Share 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 the Listing Manual or any statutory modification thereof and used in the Performance Share Plan shall, where applicable, have the meaning assigned to it under the Companies Act or the Listing Manual or any statutory modification thereof, as the case may be unless otherwise provided.
- 2.6 Any reference to a time of day in the Performance Share Plan shall be a reference to Singapore time unless otherwise stated.

### 3. Objectives of the Performance Share Plan

The objectives of the Performance Share Plan are as follows:

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

### 4. Eligibility

- 4.1 The following persons are eligible to participate in the Share Plan at the absolute discretion of the Committee:
- (i) full-time managers and those listed above them in the organisation charts of the Group who are of the age of 18 years and above; and
  - (ii) directors of the Company and its subsidiaries (including Non-Executive Directors)

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who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are Controlling Shareholders and their Associates shall not participate in the Share Plan unless:

- (a) written justification has been provided to Shareholders for their participation at the introduction of the Share Plan or prior to the first Grant of Awards to them;
- (b) the actual number and terms of any Shares to be granted to them have been specifically approved by Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder; and
- (c) all conditions for their participation in the Share Plan as may be required by the regulation of the SGX-ST from time to time are satisfied.

4.2 There shall be no restriction on the eligibility of any Participant to participate in any other share plan or share incentive schemes implemented by any of the other companies within the Group.

4.3 Subject to any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted and the Rules of the Share Plan, the terms of eligibility for participation in the Share Plan may be amended from time to time at the absolute discretion of the Committee.

#### **5. Limitations under the Performance Share Plan**

5.1 The total number of Shares that may be issued or are issuable pursuant to the granting of the Awards on any date, when added to the aggregate number of Shares that are issued or are issuable in respect of such other share-based incentive schemes of the Company (including all options granted under the RHP Share Option Scheme 2011) (if any), shall not exceed fifteen per cent. (15%) (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) on the day immediately preceding the date on which the Award shall be granted, provided and subject to Rule 4, that in relation to Controlling Shareholders and their Associates:

- (a) the aggregate number of Shares which may be offered by way of grant of Awards to Participants who are Controlling Shareholders and their Associates under the Performance Share Plan shall not exceed 25% of the total number of Shares available under the Performance Share Plan and such other share based incentive schemes of the Company (including all options granted under the RHP Share Option Scheme 2011). Treasury shares and subsidiary holdings (as defined in the Listing Manual) will be disregarded for purposes of computing the 25% limit; and
- (b) the aggregate number of Shares which may be offered by way of grant of Awards to each Participant who is a Controlling Shareholder or his Associate under the Performance Share Plan shall not exceed 10% of the total number of Shares available under the Performance Share Plan and such other share-based incentive schemes of the Company (including all options granted under the RHP Share Option Scheme 2011). Treasury shares and subsidiary holdings (as defined in the Listing Manual) will be disregarded for purposes of computing the 10% limit.

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- 5.2 Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon the Awards Committee being satisfied that the Participant has achieved the Performance Target(s) and that the Vesting Period (if any) has expired Provided Always That the Awards Committee shall have the absolute discretion to determine the extent to which the Shares under that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded, as the case may be, at the end of the prescribed performance period. No Shares under the Award shall be released for the portion of the prescribed Performance Target(s) that is not satisfied by the Participant at the end of the prescribed performance period.
- 5.3 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Awards Committee under the Performance Share Plan.

**6. Grant Date**

The Awards Committee may at its sole discretion grant Awards to any Participant at any time during the period when the Performance Share Plan is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested and hence any Shares comprised in such Awards, may only be delivered on or after the second Market Day from the date on which the aforesaid announcement is made.

**7. Awards Entitlement**

- 7.1 Awards represent the right of a participant to receive fully-paid Shares free of charge. A participant is entitled to receive fully-paid Shares free of charge subject to certain prescribed Performance Targets being met.

The Vesting Periods of Awards will be determined by the Committee and may not be subject to such time restrictions before vesting.

The selection of a participant, the number of Shares which are the subject of each Award to be granted to him, and the prescribed Vesting Period shall be determined at the absolute discretion of the Awards Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success of the Group and the extent of effort required to achieve the Performance Target within the performance period.

The Awards Committee shall decide, in relation to each Award to be granted to a participant:

- (a) the date on which the Award is to be granted;
- (b) the number of Shares which are the subject of the Award;
- (c) the prescribed Vesting Period(s);
- (d) the prescribed Performance Target(s);
- (e) the performance period during which the prescribed Performance Target(s) are to be satisfied;
- (f) the extent to which Shares which are the subject of that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period; and
- (g) the extent to which Shares, which are the subject of that Award, shall be released at the end of each prescribed Vesting Period.



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- 7.2 Once an Award is finalised by the Awards Committee, the Awards Committee shall send an Award letter to the Participant confirming the said Award. The said Award letter shall specify, *inter alia*, the following:
- (a) the date on which the Award will be granted;
  - (b) the number of Shares which are the subject of the Award;
  - (c) the prescribed Performance Target(s);
  - (d) the performance period during which the prescribed Performance Target(s) are to be satisfied;
  - (e) the Vesting Period, if any; and
  - (f) the extent to which Shares which are the subject of that Award shall be released on the prescribed Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period.

**8. Vesting of the Awards**

- 8.1 Unless otherwise decided in the absolute discretion of the Committee, an Award shall, to the extent not yet vested, immediately lapse without any claim whatsoever against the Company:
- (a) in the event of misconduct on the part of the Participant as determined by the Awards Committee in its discretion; or
  - (b) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Award; or
  - (c) subject to Rules 8.2 and 8.3, upon a Participant, being a Group Employee ceasing to be in the full-time employment of the Group for any reason whatsoever; or
  - (d) in the event that the Awards Committee shall at its discretion deem it appropriate that such Award to be given to a Participant shall so lapse on the grounds that any of the objectives of the Performance Share Plan (as set out in Rule 3) have not been met.

For the purpose of Rule 8.1(c), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- 8.2 If a Participant, being a Group Employee ceases to be employed by the Group, by reason of his:
- (a) ill health, injury, death, disability (in each case, evidenced to the satisfaction of the Awards Committee); or
  - (b) redundancy; or
  - (c) retirement at or after the normal retirement age; or
  - (d) retirement before that age with the consent of the Awards Committee; or
  - (e) completion of the term of his service contract;

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or for any other reason approved in writing by the Awards Committee; the Awards Committee may, in its absolute discretion, decide that a Participant is entitled to an Award or any part thereof, so long as he has met the Performance Target(s) notwithstanding that he may have ceased to be so employed or ceased to hold office after the fulfilment of such Performance Target(s) and that the Vesting Period (if any) has not expired prior to the cessation of such employment or holding of office.

In exercising its discretion, the Awards Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Target(s) have been satisfied.

- 8.3 If a Participant who has fulfilled his Performance Target(s) dies before an Award is vested, the Award shall in such circumstances be given to the duly appointed personal representatives of the Participant.
- 8.4 Save as provided and for the avoidance of doubt, an Award shall nevertheless be vested in a Participant for as long as he has fulfilled his Performance Target(s) and the Vesting Period (if any) has expired and notwithstanding a transfer of his employment within any company in the Group or any apportionment of Performance Target(s) within any company within the Group.

**9. Take-over and Winding Up of the Company**

- 9.1 Notwithstanding the provisions of Rule 8 but subject to Rule 9.5, in the event of a take-over being made for the Shares, a Participant shall (notwithstanding that the Vesting Period for the Award has not expired) be entitled to the Shares under the Awards if he has met the Performance Target(s) which falls within the period commencing on the date on which such offer for a take-over of the Company is made or, if such offer is conditional, the date on which such offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
- (a) the expiry of six (6) months thereafter, unless prior to the expiry of such six-month period, at the recommendation of the offeror and with the approvals of the Awards Committee and the SGX-ST, such expiry date is extended to a later date being a date falling not later than the last date on which the Performance Target(s) are to be fulfilled); or
  - (b) the date of expiry of the period for which the Performance Target(s) are to be fulfilled. Provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Companies Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Participant shall be obliged to fulfil such Performance Target(s) until the expiry of such specified date or the expiry date of the Performance Target(s) relating thereto, whichever is earlier, before an Award can be vested.
- 9.2 If: (a) under any applicable laws, 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 (b) there is a change of Control of the Company, each Participant who has fulfilled his Performance Target(s) shall be entitled, notwithstanding the provisions herein and the fact that the Vesting Period for such Award has not expired but subject to Rule 9.5, to any Awards so determined by the Awards Committee to be vested in him during the period: (i) in the case of scenario (a) above, commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise, arrangement or amalgamation becomes effective, whichever is later; or if under the Companies Act, the Registrar of Companies issues a notice of amalgamation, for the purposes of, or in connection with the amalgamation of the Company with another company or companies, each Participant who has fulfilled his Performance Target(s) shall be entitled, notwithstanding Rule 9 and the non-expiry

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of the Vesting Period for the Award but subject to Rule 9.5, to any Awards so determined by the Awards Committee to be vested in him during the period commencing on the date upon which the notice of amalgamation is issued by the Registrar of Companies and ending either on the expiry of sixty (60) days thereafter or the date upon which the amalgamation becomes effective, whichever is later; or (ii) in the case of scenario (b) above, commencing on the date upon which the change of Control becomes effective and ending on the expiry of sixty (60) days thereafter.

- 9.3 If an order or an effective resolution is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that they may have been so vested shall be deemed to become null and void.
- 9.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Awards shall so vest in the Participant for so long as, in the absolute determination by the Awards Committee, the Participant has met the Performance Target(s) prior to the date that the members' voluntary winding-up shall be deemed to have been commenced or effective in law.
- 9.5 If in connection with the making of a general offer referred to in Rule 9.1 or the scheme referred to in Rule 9.2 or the winding-up referred to in Rule 9.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or by any other form of benefit, no Award shall be made in such circumstances.
- 9.6 Without prejudice to any other provision contained in the Rules, the Awards Committee shall have the absolute discretion to waive the full compliance of the Performance Targets on the part of the Participant upon the occurrence of any of the events provided in this Rule 9. In exercising its discretion, the Awards Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Target(s) have been satisfied.

#### 10. Shares

- 10.1 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the Performance Share Plan and the Constitution of the Company, the Company shall, within ten (10) Market Days after the vesting of an Award, allot and issue the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Awards Committee may deem fit, or in the case of a transfer of Treasury Shares, do such acts or things which are necessary for the transfer to be effective.
- 10.2 The Company shall, as soon as practicable after such allotment, where necessary, apply to the SGX-ST for permission to deal in and for quotation of such Shares.
- 10.3 Shares which are the subject of an Award shall be issued in or transferred to in the name of CDP or its nominees to the credit of the Securities Account of that Participant or the securities sub-account maintained with a Depository Agent.
- 10.4 Shares allotted and issued and/or Treasury Shares transferred, upon the vesting of an Award, shall be subject to all the provisions of the Constitution of the Company, and shall rank in full for all entitlements, excluding dividends, rights, allotments or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls on or before the date of issue of new Shares or the date of transfer of the Treasury Shares (as the case may be), and shall in all other respects rank *pari passu* with other existing Shares then in issue. "**Record Date**" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

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- 10.5 Shares which are allotted, and/or Treasury Shares which are transferred, on the vesting of an Award to a Participant, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, for a period of three (3) months commencing on the date the Shares are allotted and issued, or the date the Treasury Shares are transferred to a Participant upon the vesting of an Award, except to the extent set out in the Award letter or with the prior approval of the Awards Committee.
- 10.6 The Awards Committee may determine to vest an Award, wholly or partly, in the form of cash rather than Shares or Treasury Shares, in which event the Participant shall receive, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on the release of his Award, the aggregate Market Price of such Shares.
- 10.7 For the avoidance of doubt, Treasury Shares shall not be transferred, in connection with the vesting of an Award, to Non-Executive Directors or any director who is not an employee.

**11. Variation of Capital**

- 11.1 If a variation in the share capital of the Company (whether by way of a bonus issue, rights issue, reduction, subdivision, consolidation or distribution) 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 over which future Awards may be granted under the Performance Share Plan, may, at the option of the Awards Committee, be adjusted in such manner as the Awards Committee may determine to be appropriate. However, any adjustment shall be made in such a way that a participant will not receive a benefit that a Shareholder does not receive.
- 11.2 Unless the Awards Committee considers an adjustment to be appropriate:
- (a) the issue of securities as consideration for an acquisition or a private placement of securities; or
  - (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.
- 11.3 Notwithstanding the provisions of Rule 11.1:
- (a) no such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive; and
  - (b) any determination by the Awards Committee as to whether to make any adjustment and if so, the manner in which such adjustment should be made, must (except in relation to a bonus issue) be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
- 11.4 Upon any adjustment required to be made pursuant to this Rule 11, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

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**12. Administration of the Performance Share Plan**

- 12.1 The Performance Share Plan shall be managed by the Awards Committee, which has the absolute discretion to determine persons who will be eligible to participate in the Performance Share Plan. However, a participant who is a member of the Awards Committee shall not be involved in any deliberation or decision in respect of Awards (as the case may be) to be granted to or held by that participant.
- 12.2 The Awards Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the Performance Share Plan) for the implementation and administration of the Performance Share Plan as they think fit including, but not limited to:
- (a) imposing restrictions on the number of Awards that may be vested within each financial year; and
  - (b) amending Performance Target(s) if by so doing, it would be a fairer measure of performance for a Participant or for the Performance Share Plan as a whole and/or amending the Vesting Period (if any).
- 12.3 Neither the Performance Share Plan nor the grant of Awards under the Performance Share Plan shall impose on the Company or the Awards Committee any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Performance Share Plan;
  - (b) the failure or refusal by the Awards Committee to exercise, or the exercise by the Awards Committee of, any discretion under the Performance Share Plan; and/or
  - (c) any decision or determination of the Awards Committee made pursuant to any provision of the Performance Share Plan.
- 12.4 Any decision of the Awards Committee (including any decisions pertaining to the number of Shares to be vested) made pursuant to any provision of the Performance Share Plan (other than a matter to be certified by the Auditors) shall be final and binding in all cases including any disputes as to the interpretation of the Performance Share Plan or any rule, regulation, procedure thereunder or as to any rights under the Performance Share Plan.

**13. Notices and Annual Report**

- 13.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Awards Committee, as may be notified by the Company to him in writing.
- 13.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Awards 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.
- 13.3 Any notices or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notices 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 13.2, or if sent by post, shall be deemed to have been given on the day following the date of posting, or if sent by electronic mail or facsimile transmission, on the day of despatch.

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- 13.4 The Company, as required by law or the SGX-ST or other relevant authority, shall make the following disclosures in its annual report for so long as the Performance Share Plan continues in operation:
- (a) the names of the members of the Awards Committee administering the Performance Share Plan;
  - (b) in respect of the following participants of the Performance Share Plan:
    - (i) directors of the Company;
    - (ii) Participants who are Controlling Shareholders of the Company and their Associates; and
    - (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the vesting of Awards granted under the Performance Share Plan which, in aggregate, represent five per cent. (5%) or more of the aggregate of the total number of Shares available under the Performance Share Plan, the following information:
      - (aa) the name of the Participant;
      - (bb) in relation to Awards vested under the Performance Share Plan, the number of Shares issued and/or the number of Treasury Shares transferred to such Participant during the financial year under review; and
      - (cc) the information set out in (c) below in relation to such Participant.
  - (c) in relation to the Performance Share Plan, the following particulars:
    - (i) the aggregate number of Shares comprised in Awards granted since the commencement of the Performance Share Plan to the end of the financial year under review;
    - (ii) the aggregate number of Shares comprised in Awards which have vested since the commencement of the Performance Share Plan to the end of the financial year under review; and
    - (iii) the aggregate number of Shares comprised in Awards which have not been vested since the commencement of the Performance Share Plan to the end of the financial year under review; and
  - (d) such other information as may be required by the Listing Manual or the Companies Act.

If any of the disclosure above in the foregoing of this Rule 13 is not applicable, an appropriate negative statement will be included in the annual report.

**14. Modifications to the Performance Share Plan**

- 14.1 Any or all the provisions of the Performance Share Plan may be modified and/or altered at any time and from time to time by resolution of the Awards Committee, except that:
- (a) any modification or alteration which would be to the advantage of Participants under the Performance Share Plan shall be subject to the prior approval of Shareholders in a general meeting; and
  - (b) no modification or alteration shall be made without due compliance with the Listing Manual and the approval of the SGX-ST and such other regulatory authorities as may be necessary.

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- 14.2 The Awards Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the rules or provisions of the Performance Share Plan in any way to the extent necessary to cause the Performance Share Plan to comply with any statutory provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 14.3 In addition to the above, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of participants under the relevant Share Plan who, if their Awards were released to them, would thereby become entitled to not less than 75.0% of the aggregate number of all our Shares which would be issued upon exercise in full of all outstanding Awards under the Performance Share Plan.
- 14.4 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.
- 14.5 Shareholders who are eligible to participate in the Performance Share Plan must abstain from voting on any resolution relating to the Performance Share Plan.

#### **15. Terms of Employment Unaffected**

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

#### **16. Duration of the Performance Share Plan**

- 16.1 The Performance Share Plan shall continue to be in force at the discretion of the Awards Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Performance Share Plan may continue beyond the above stipulated period with the approval of the Shareholders by an ordinary resolution in a general meeting and of any relevant authorities which may then be required.
- 16.2 The Performance Share Plan may be terminated at any time by the Awards Committee or by an ordinary resolution of the Company in general meeting subject to all relevant approvals which may be required and if the Performance Share Plan is so terminated, no further Awards shall be vested by the Company thereunder.
- 16.3 The termination of the Performance Share Plan shall not affect Awards which have been vested, whether (i) such Shares have been allotted and issued and/or delivered (as the case may be) or not; or (ii) the Treasury Shares (if any) have been transferred or not.

#### **17. Taxes**

All taxes (including income tax) arising from the grant and/or disposal of Shares pursuant to the Awards granted to any Participant under the Performance Share Plan shall be borne by that Participant.

#### **18. Costs and Expenses**

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

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18.2 Save for the taxes referred to in Rule 17 and such other costs and expenses expressly provided in the Performance Share Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Performance Share Plan including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of Shares or transfer of Treasury Shares pursuant to the Awards shall be borne by the Company.

**19. Disclaimer of Liability**

Notwithstanding any provisions herein contained, the Board, the Awards Committee and any company within the Group, as the case may be, shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in allotting and issuing Shares, transferring Treasury Shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 10.2 (and any other stock exchange on which the Shares are quoted or listed).

**20. Disputes**

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

**21. Condition of Awards**

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

**22. Governing Law**

The Performance Share 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 Performance Share Plan, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.