

## APPENDIX DATED 15 JANUARY 2024

**THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN DOUBT ABOUT THE CONTENTS OF THIS APPENDIX OR THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.**

This Appendix is circulated to the shareholders of AcroMeta Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) together with the Company’s annual report for the financial year ended 30 September 2023 (the “**Annual Report**”). Its purpose is to provide shareholders of the Company with information relating to the Proposed Transactions (as defined herein) to be tabled at the 2024 AGM (as defined herein) to be held on 30 January 2024 at 10.00 a.m. at 4 Kaki Bukit Avenue 1, #04-04 Kaki Bukit Industrial Estate, Singapore 417939.

The ordinary resolutions proposed to be passed in respect of the Proposed Transactions are set out as Ordinary Resolutions 12, 13, 14, 15, 16 and 17 in the Notice of AGM (as defined herein) enclosed in the Annual Report.

If you have sold or transferred all your Shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Appendix, the Notice of AGM and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Appendix, Notice of AGM and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately forward this Appendix, Notice of AGM and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Evolve Capital Advisory Private Limited (the “**Sponsor**”). This Appendix has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any statements or opinions made, or reports contained in this Appendix.

The contact person for the Sponsor is Mr. Chua Hiang Hwee Jerry, 138 Robinson Road, #13-02 Oxley Tower, Singapore 068906, jerrychua@evolvecapitalasia.com.

**ACROMETA**  
GROUP  
**ACROMETA GROUP LIMITED**  
(Company Registration No.: 201544003M)  
(Incorporated in the Republic of Singapore)

### APPENDIX TO THE NOTICE OF AGM IN RELATION TO

- (1) THE PROPOSED CHANGE OF AUDITORS FROM DELOITTE & TOUCHE LLP TO PKF-CAP LLP
- (2) THE PROPOSED AMENDMENTS TO THE ACROMETA PERFORMANCE SHARE SCHEME
- (3) THE PROPOSED PARTICIPATION BY AND GRANT OF AWARDS TO CONTROLLING SHAREHOLDERS UNDER THE ACROMETA PERFORMANCE SHARE SCHEME
- (4) THE PROPOSED DIVERSIFICATION OF THE GROUP’S BUSINESS INTO THE CO-WORKING LABORATORY SPACE BUSINESS

*This page has been intentionally left blank.*

---

## TABLE OF CONTENTS

---

DEFINITIONS.....	2
1. INTRODUCTION .....	8
2. THE PROPOSED CHANGE OF AUDITORS .....	10
3. THE PROPOSED AMENDMENTS TO THE ACROMETA PSS.....	12
4. THE PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDER(S) IN THE AMENDED ACROMETA PSS.....	13
5. THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS TO INCLUDE THE NEW BUSINESS .....	16
6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	29
7. DIRECTORS' RECOMMENDATIONS.....	29
8. ABSTENTION FROM VOTING.....	31
9. DIRECTORS' RESPONSIBILITY STATEMENT .....	31
10. DOCUMENTS AVAILABLE FOR INSPECTION .....	32
ANNEX A – THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA PERFORMANCE SHARE SCHEME.....	A-1

---

## DEFINITIONS

---

In this Appendix, except where the context otherwise requires, the following definitions shall apply throughout:

- “2024 AGM”** : the annual general meeting of the Company to be held at 4 Kaki Bukit Avenue 1, #04-04 Kaki Bukit Industrial Estate, Singapore 417939 on 30 January 2024 at 10.00 a.m.
- “ACRA”** : the Accounting and Corporate Regulatory Authority of Singapore
- “AcroMeta PSS”** : the performance share scheme of the Company which was approved on 16 March 2016 pursuant to a resolution passed by Shareholders, as amended or modified from time to time
- “AEPL”** : the Company’s wholly-owned subsidiary, Acromec Engineers Pte Ltd
- “AGM”** : the annual general meeting of the Company
- “Annual Report”** : The annual report of the Company for FY2023
- “Appendix”** : this Appendix to the Notice of AGM dated 15 January 2024
- “Associate”** : (a) in relation to any individual, including a Director, CEO, 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 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

---

## DEFINITIONS

---

<b>“Audit Committee”</b>	:	The audit committee of the Company as at the date of this Appendix or from time to time, as the case may be
<b>“Awards”</b>	:	a contingent award of Shares granted under the rules of the AcroMeta PSS
<b>“Board”</b>	:	the board of Directors of the Company as at the date of this Appendix or from time to time, as the case may be
<b>“Business Day”</b>	:	a day other than a Saturday, a Sunday, or a gazetted public holiday in Singapore
<b>“Catalist”</b>	:	the Catalist board of the SGX-ST
<b>“Catalist Rules”</b>	:	the SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
<b>“CDP”</b>	:	the Central Depository (Pte) Limited
<b>“CEO”</b>	:	Chief Executive Officer or the most senior executive officer who is responsible under the immediate authority of the board of directors for the conduct of the business
<b>“Co-working”</b>	:	a style of work that involves flexible and shared workspaces, often an office, and independent activity among the members, usually comprising diverse groups of freelancers, remote workers and other independent professionals, who work for a range of different companies, ventures and projects
<b>“Co-Working Laboratory Space Business”</b>	:	has the meaning ascribed to it in Section 5.1 of this Appendix
<b>“Committee”</b>	:	the committee appointed by the Board to administer the AcroMeta PSS
<b>“Company”</b>	:	AcroMeta Group Limited
<b>“Companies Act”</b>	:	the Companies Act 1967 of Singapore, as may be amended, modified or supplemented from time to time
<b>“Constitution”</b>	:	the Constitution of the Company, as may be amended, modified or supplemented from time to time
<b>“control”</b>	:	the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company

---

## DEFINITIONS

---

<b>“Controlling Shareholder”</b>	:	a person who:  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in a company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or  (b) in fact exercises control over a company
<b>“Deloitte &amp; Touche”</b>	:	Deloitte & Touche LLP
<b>“Director”</b>	:	a director of the Company as at the date of this Appendix or from time to time, as the case may be
<b>“EPC”</b>	:	means engineering, procurement and construction
<b>“EPS”</b>	:	earnings per share
<b>“Existing Business”</b>	:	has the meaning ascribed to it in Section 5.1 of this Appendix
<b>“Financial Year”</b>	:	each period of 12 months or more or less than 12 months, at the end of which the balance of accounts of the relevant company are prepared and audited, for the purpose of laying the same before an annual general meeting of the relevant company
<b>“FY2023”</b>	:	the financial year ended 30 September 2023
<b>“Group”</b>	:	the Company and its subsidiaries
<b>“Group Employee”</b>	:	any employee of the Group (including any Group Executive Director)
<b>“Group Executive Director”</b>	:	a director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function
<b>“Independent Director”</b>	:	An independent director of the Company
<b>“Latest Practicable Date”</b>	:	9 January 2024, being the latest practicable date prior to the issue of this Appendix
<b>“LSI”</b>	:	Life Science Incubator Pte. Ltd.
<b>“LSI Holdings”</b>	:	Life Science Incubator Holdings Pte. Ltd.
<b>“Market Day”</b>	:	a day on which the SGX-ST (or the recognised stock exchange, as the case may be) is open for trading in securities

---

## DEFINITIONS

---

<b>“New Business”</b>	:	the proposed new Co-working Laboratory Space Business, more particulars of which are set out in Section 5 of this Appendix
<b>“Non-Executive Director”</b>	:	a director of the Company and/or any of its subsidiaries, as the case may be, other than a Group Executive Director
<b>“Notice of AGM”</b>	:	the notice of the 2024 AGM
<b>“NTA”</b>	:	net tangible asset
<b>“PKF”</b>	:	PKF-CAP LLP
<b>“Proposed Change of Auditors”</b>	:	the proposed appointment of PKF as auditors to the Company in place of the retiring auditors, Deloitte & Touche
<b>“Proposed Diversification”</b>	:	the proposed diversification of the Group’s business into the New Business
<b>“Proposed Transactions”</b>	:	has the meaning ascribed to it in Section 1.1 of this Appendix
<b>“Rules”</b>	:	the rules of the AcroMeta PSS, as the same may be amended or supplemented from time to time
<b>“Securities Accounts”</b>	:	the securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
<b>“SFA” or “Securities and Futures Act”</b>	:	the Securities and Futures Act 2001 of Singapore, as may be amended, modified or supplemented from time to time
<b>“SGXNet”</b>	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shares”</b>	:	ordinary shares in the capital of the Company and “Share” shall be construed accordingly

---

## DEFINITIONS

---

<b>“Shareholders”</b>	:	registered holder(s) of Shares in the register of members of the Company, except where the registered holder is CDP, in which case the term “Shareholders” shall, in relation to such Shares, mean the Depositors who have Shares entered against their name in the Depository Register of CDP. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
<b>“SIC”</b>	:	Securities Industry Council
<b>“Subsidiary Holdings”</b>	:	Shares held by a subsidiary in accordance with the Companies Act
<b>“Substantial Shareholder”</b>	:	a person who has an interest or interests in voting Shares (excluding Treasury Shares and Subsidiary Holdings), representing not less than 5% of all the voting Shares
<b>“Treasury Shares”</b>	:	the Shares held in treasury by the Company
<b>“S\$”</b>	:	Singapore dollars, being the lawful currency of Singapore
<b>“%”</b>	:	per centum or percentage

Unless the context otherwise requires:

- (a) the terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA;
- (b) the terms “**subsidiary**” and “**related corporations**” shall have the meanings ascribed to them respectively in Section 5 of the Companies Act;
- (c) 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. Unless the context otherwise requires, any references to persons shall include individuals, corporate bodies (wherever incorporated), unincorporated associations and partnerships;
- (d) any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or any statutory or regulatory modification thereof and not otherwise defined in this Appendix shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or such modification thereof, as the case may be, unless the context otherwise requires;
- (e) any reference to a time of a day in this Appendix shall be a reference to Singapore time unless otherwise stated;



---

## DEFINITIONS

---

- (f) any discrepancies between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them; and
- (g) the headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

### **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

All statements other than statements of historical facts included in this Appendix are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements. Further, the Company disclaim any responsibility to update or revise any forward-looking statements for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

---

## LETTER TO SHAREHOLDERS

---

**ACROMETA**  
GROUP  
**ACROMETA GROUP LIMITED**  
(Company Registration No.: 201544003M)  
(Incorporated in the Republic of Singapore)

**Directors:**

Mr. Levin Lee Keng Weng (*Executive Chairman*)  
Mr. Lim Say Chin (*Executive Director and Chief Executive Officer*)  
Mr. Chew Chee Keong (*Executive Director*)  
Mr. Cheong Keng Chuan, Alfred (*Lead Independent Director*)  
Mr. Mahtani Bhagwandas (*Independent Director*)  
Mr. Chan Tze Choong Eric (*Independent Director*)

**Registered Office:**

4 Kaki Bukit Avenue 1  
#04-04  
Singapore 417939

15 January 2024

To: The Shareholders of the Company

Dear Sir/Madam,

- (1) **THE PROPOSED CHANGE OF AUDITORS FROM DELOITTE & TOUCHE LLP TO PKF-CAP LLP**
- (2) **THE PROPOSED AMENDMENTS TO THE ACROMETA PERFORMANCE SHARE SCHEME**
- (3) **THE PROPOSED PARTICIPATION BY AND GRANT OF AWARDS TO MR. LEVIN LEE KENG WENG, CONTROLLING SHAREHOLDER, UNDER THE ACROMETA PERFORMANCE SHARE SCHEME**
- (4) **THE PROPOSED PARTICIPATION BY AND GRANT OF AWARDS TO MR. LIM SAY CHIN, CONTROLLING SHAREHOLDER, UNDER THE ACROMETA PERFORMANCE SHARE SCHEME**
- (5) **THE PROPOSED DIVERSIFICATION OF THE GROUP'S BUSINESS INTO THE CO-WORKING LABORATORY SPACE BUSINESS**

### 1. INTRODUCTION

- 1.1. The Directors refer to the Notice of AGM dated 15 January 2024 accompanying the Annual Report of the Company for FY2023, and ordinary resolutions set out in the Notice of AGM in relation to:
  - (a) the Proposed Change of Auditors;
  - (b) the proposed amendments to the AcroMeta PSS;
  - (c) the proposed participation by and grant of Awards to Mr. Levin Lee Keng Wang, Executive Chairman and Controlling Shareholder of the Company;

---

## LETTER TO SHAREHOLDERS

---

- (d) the proposed participation by and grant of Awards to Mr. Lim Say Chin, Executive Director and Chief Executive Officer and Controlling Shareholder of the Company; and
- (e) the Proposed Diversification of the Group's business into the Co-working Laboratory Space Business,

(collectively, the “**Proposed Transactions**”).

### 1.2. Inter-conditionality of Resolutions

The proposed participation by and grant of Awards to Mr. Levin Lee Keng Wang and Mr. Lim Say Chin are conditional upon the proposed amendments to the AcroMeta PSS and the attention of Shareholders is specifically drawn to the inter-conditionality nature of the Ordinary Resolutions to be passed as set out in the Notice of AGM in particular that (a) Ordinary Resolutions 13, 14, 15 and 16 of the Notice of AGM are conditional upon the passing of Ordinary Resolution 12 of the Notice of AGM; (b) Ordinary Resolution 14 of the Notice to AGM is conditional upon the passing of Ordinary Resolutions 12 and 13 of the Notice of AGM; and (c) Ordinary Resolution 16 is conditional upon the passing of Ordinary Resolutions 12 and 15. This means that in the event where:

- (i) Ordinary Resolution 12 as set out in the Notice of AGM in relation to the proposed amendments to the AcroMeta PSS is not passed at the 2024 AGM, Ordinary Resolution 13, 14, 15 and 16 relating to the proposed participation by and grant of Awards to Mr. Levin Lee Keng Wang and Mr. Lim Say Chin as set out in the Notice of AGM will not be tabled;
- (ii) Ordinary Resolution 13 as set out in the Notice of AGM in relation to the proposed participation by Mr. Levin Lee Keng Weng in the AcroMeta PSS is not passed at the 2024 AGM, Ordinary Resolution 14 as set out in the Notice of AGM in relation to the proposed grant of Awards to Mr. Levin Lee Keng Weng will not be tabled; and
- (iii) Ordinary Resolution 15 as set out in the Notice of AGM in relation to the proposed participation by Mr. Lim Say Chin in the AcroMeta PSS is not passed at the 2024 AGM, Ordinary Resolution 16 as set out in the Notice of AGM in relation to the proposed grant of Awards to Mr. Lim Say Chin will not be tabled.

- 1.3. The purpose of this Appendix is to provide Shareholders with information relating to the Proposed Transactions to be tabled at the 2024 AGM.
- 1.4. This Appendix has been prepared solely for the purpose set out herein and may not be relied on by any persons (other than the Shareholders) nor for any other purpose.
- 1.5. The Company has appointed Icon Law LLC (the Singapore member of the ZICO Law Network), as the legal adviser to the Company for the Proposed Transactions.

---

## LETTER TO SHAREHOLDERS

---

### 2. THE PROPOSED CHANGE OF AUDITORS

#### 2.1. Background and Rationale for the Proposed Change of Auditors

Deloitte & Touche has served as auditors of the Company since the listing of the Company in 2016 and was re-appointed as the Company's auditors at the last AGM of the Company held on 30 January 2023, to hold office until the conclusion of the next AGM. Deloitte & Touche has indicated their intention not to seek re-appointment as auditors of the Company and will retire at the conclusion of the 2024 AGM to be held on 30 January 2024. The Board is of the view that the Proposed Change of Auditors will enable the Group to benefit from perspectives and views of another professional audit firm, thus enhancing the value of the audit.

Following a review and evaluation of several reputable audit firms in Singapore, the Audit Committee, having considered, amongst others, the Audit Quality Indicators Disclosure Framework issued by ACRA, the adequacy of the resources and experience of PKF and the audit engagement partner assigned to the audit, other audit engagements of PKF, the Group's audit requirements, the size and complexity of the Group and the number and experience of supervisory and professional staff of PKF to be assigned to the audit, the fee structure and audit arrangements proposed by PKF, is of the opinion that PKF will be able to meet the audit requirements of the Group.

The Proposed Change of Auditors will allow the Group to save approximately 30% in audit fees in comparison to the audit fees incurred by the Group for FY2023. There will be no change in the scope of audit services, and the Company does not expect the reduction in cost to affect the standards and effectiveness of the audit to be undertaken.

After evaluation, the Audit Committee recommended the appointment of PKF as Auditor of the Company in place of Deloitte & Touche to the Board. The Board, in consultation with the Audit Committee and taking into consideration the requirements of Rule 712 and Rule 715 of the Catalist Rules, has determined that PKF is best suited to meet the existing needs and audit requirements of the Group. The Board is of the opinion that the Proposed Change of Auditors is in the best interests of the Company and the Shareholders and recommends that PKF be appointed as the new Auditors subject to shareholders' approval at the 2024 AGM.

In connection with the above, PKF has given its consent to act as Auditors of the Company and its Singapore incorporated subsidiaries, namely AcroMec Engineers Pte Ltd, Acro Harvest Engineering Pte. Ltd., AcroPower Pte. Ltd., Life Science Incubator Holdings Pte. Ltd., Life Science Incubator Pte. Ltd., LSI Elementum Pte. Ltd. and AcroMeta Minerals Pte. Ltd., by way of a letter dated 8 January 2024, subject to the approval of Shareholders being obtained at the 2024 AGM. Pursuant to Rule 712(3) of the Catalist Rules and Section 205AF of the Companies Act, the appointment of PKF as Auditor in place of Deloitte & Touche must be specifically approved by Shareholders at a general meeting. The appointment of PKF would therefore take effect upon the date of approval of the Proposed Change of Auditors by Shareholders at the 2024 AGM, and if so appointed, PKF will hold office until the conclusion of the next AGM of the Company.

The Board wishes to express their appreciation for the services rendered by Deloitte & Touche in the past.

---

## LETTER TO SHAREHOLDERS

---

### 2.2. Information on PKF and the Audit Engagement Partner

*The information on PKF and the audit engagement partner below was provided to the Company by PKF. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below. The Directors, however, have exercised due care and made reasonable enquiries as they deem necessary in reviewing the information.*

#### 2.2.1. Information on PKF

PKF is a firm of Chartered Accountants in Singapore and is registered with ACRA. It is ranked number 14 in Singapore in a recent survey by International Accountants Group (IAG).

The firm, together with its affiliated entities has 13 partners, 29 managers/directors and 125 professional staff servicing a wide array of auditing, accounting, taxation, corporate secretarial and advisory clients in diversified industries such as commodities, trading and distribution, manufacturing, healthcare, shipping, hospitality, fund management, technology and construction. PKF is part of global family of independent firms bound together by a shared commitment to quality, integrity and the creation of clarity in a complex regulatory environment.

For more information about PKF, please visit its website at [www.pkfsingapore.com](http://www.pkfsingapore.com).

For the audit of the Group, the key audit engagement team comprises one (1) audit engagement partner, one (1) audit manager and four (4) audit professionals. The audit of the Company and its subsidiaries will also be reviewed by an independent engagement quality review partner.

#### 2.2.2. About the Audit Engagement Partner

The audit engagement partner is Ang Kok Keong. Kok Keong has more than 15 years of experience in the audit and assurance, with experience spanning across various industries such as healthcare, manufacturing, timeshare, trading, retail, construction and hospitality. He has been involved in publicly listed companies and multinational corporations requiring reporting in US GAAP and IFRS. He also has significant experience in managing Singapore and Hong Kong Initial Public Offerings (IPOs).

He is a Practising Member of the Institute of the Singapore Chartered Accountants (ISCA) and his qualifications include a Bachelor of Accountancy (Honours) from Nanyang Technological University.

### 2.3. Compliance with Rule 712 of the Catalist Rules

Pursuant to Rule 712(3) of the Catalist Rules, the Company would like to highlight that:

- (a) the outgoing Auditors of the Company, Deloitte & Touche, have confirmed by way of their letter dated 5 January 2024, that it is not aware of any professional reasons why the new Auditors, PKF, should not accept appointment as Auditors;
- (b) the Company confirms that there were no disagreements with Deloitte & Touche on accounting treatments within the last twelve (12) months;

---

## LETTER TO SHAREHOLDERS

---

- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in this Appendix;
- (d) the Company confirms that the specific reasons for the Proposed Change of Auditors is as disclosed in this Appendix; and
- (e) the Company confirms that it is or will be in compliance with Rules 712 and 715 of the Catalist Rules in relation to the Proposed Change of Auditors.

### **2.4. Compliance with Rule 715 of the Catalist Rules**

Upon obtaining the approval of Shareholders at the 2024 AGM for the Proposed Change of Auditors, PKF will become the auditors of the Company in place of Deloitte & Touche. PKF will also be appointed as auditors for the Company's Singapore-incorporated subsidiaries.

### **2.5. Recommendation of the Audit Committee**

The Audit Committee, after having reviewed and deliberated, and after taking into consideration the suitability and independence of PKF in meeting the audit requirements of the Group, including the various factors as set out in Sections 2.1 and 2.2 of this Appendix, has recommended the Proposed Change of Auditors for approval by the Board.

## **3. THE PROPOSED AMENDMENTS TO THE ACROMETA PSS**

### **3.1. Introduction**

The AcroMeta PSS was adopted by the Company at the extraordinary general meeting held on 16 March 2016. Save for the AcroMeta PSS, the Company does not have any other employee share scheme or employee share option scheme in place.

As at the Latest Practicable Date, no Awards have been granted under the AcroMeta PSS.

### **3.2. Rationale for and benefits of the AcroMeta PSS**

The purpose of adopting the AcroMeta PSS was to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate Group Employees to achieve superior performance and continue to strive for our Group's long-term growth.

Pursuant to the Rules of the AcroMeta PSS, Group Employees and Non-Executive Directors who are Controlling Shareholders or Associates of a Controlling Shareholder are not eligible to participate in the AcroMeta PSS.

The Company proposes to amend the Rules of the AcroMeta PSS to allow Group Employees and Non-Executive Directors who are Controlling Shareholder(s) and their Associates to participate in the AcroMeta PSS.

---

## LETTER TO SHAREHOLDERS

---

### 3.3. Proposed Amendments to the AcroMeta PSS

The proposed amendments to the Rules of the AcroMeta PSS are set out in Annex A to this Appendix.

It is proposed that Rule 4.2 of the AcroMeta PSS be amended to remove the prohibition against Controlling Shareholder(s) and/or their Associates being eligible to participate in the AcroMeta PSS and to provide that the participation of each Controlling Shareholder(s) or his Associate and the number and terms of Awards to be granted to each such person is required to be approved by independent Shareholders of the Company in general meeting in separate resolutions for each such person, further provided that such person abstains from voting on the resolution in relation to his participation in the AcroMeta PSS and the grant of Awards to him.

Consequential as well as minor editorial amendments have also been made to existing Rule 13.3(b) of the AcroMeta PSS.

The proposed amendments to the Rules of the AcroMeta PSS are subject to the Shareholders' approval at the 2024 AGM.

## 4. THE PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDER(S) IN THE AMENDED ACROMETA PSS

### 4.1. Introduction

The Company is proposing to extend the participation under the AcroMeta PSS to Group Employees and Non-Executive Directors who are Controlling Shareholders and/or their Associates. Although the Controlling Shareholder(s) and/or their Associates may already have shareholding interests in the Company, the extension of the AcroMeta PSS to include them ensures that they are equally entitled, with the other eligible Directors and Group Employees who are not Controlling Shareholder(s) or their Associates, to take part and benefit from this system of remuneration.

The Company is of the view that the Company should have a fair and equitable system to reward the eligible directors and employees of the Group who have made and continue to make significant contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholder(s) or their Associates. A person who would otherwise be eligible should not be excluded from participating in the AcroMeta PSS (as the case may be) solely for the reason that he is a Controlling Shareholder or an Associate of a Controlling Shareholder.

Allowing Group Employees who are Controlling Shareholders or associates of Controlling Shareholders to be remunerated under the AcroMeta PSS would also conserve the Company's cash and allow the Company increased flexibility to use their existing cash for the Group's operations.

Accordingly, approval of Shareholders is being sought in relation to the proposed participation by and grant of Awards to the following Controlling Shareholders:

- (a) Mr. Levin Lee Keng Weng, Executive Chairman of the Company; and
- (b) Mr. Lim Say Chin, Executive Director and Chief Executive Officer of the Company.

---

## LETTER TO SHAREHOLDERS

---

### 4.2. Safeguards

Pursuant to Rule 852 of the Catalist Rules, specific approval of independent Shareholders is required for the participation of any individuals who are Controlling Shareholder(s) and/or their Associates in the amended AcroMeta PSS. Shareholders who are eligible to participate in the AcroMeta PSS must abstain from voting on any resolution relating to the AcroMeta PSS.

When it is proposed that Awards be granted under the amended AcroMeta PSS to eligible Group Employees who are Controlling Shareholder(s) or Associates of Controlling Shareholder(s), in accordance with the requirements of the Catalist Rules, the actual number and terms of the Awards to be granted to each such person (as the case may be) are subject to the approval of independent Shareholders in a separate resolution.

Accordingly, the Company is of the view that there are safeguards against any abuse of the AcroMeta PSS resulting from the participation of Controlling Shareholder(s) or their Associates.

### 4.3. Rationale for the Proposed Participation by and Grant of an Award under the AcroMeta PSS to Mr. Levin Lee Keng Weng

Mr. Levin Lee Keng Weng is the Chairman and Controlling Shareholder of the Company. Mr. Lee is responsible for the business strategies of the Group and leading the Group's business development activities by exploring and assessing new business sectors for future expansion. He is also responsible for spearheading and managing the Group's corporate finance strategies, which include fundraising activities and managing investor relations and shareholder communication.

Mr. Lee was appointed to the Board in January 2023 and has since been essential in the continued contributions to the Group. In particular, Mr. Lee is instrumental in the restructuring of the Group with the diversification into new growth areas, and the exit of non-profitable businesses. The Directors (save for Mr. Levin Lee Keng Weng) are of the view that he has and will play an important part in the growth and development of the Group. Although Mr. Lee is a Controlling Shareholder, the extension of the AcroMeta PSS to him will allow him to be equally entitled with other employees who are not Controlling Shareholders or their associates to take part in and benefit from this system of remuneration, and would therefore align his interests with those of the Company and enhance his long-term commitment to the Group with a view of achieving long-term growth for the Group. With these aims in mind by the extension of the AcroMeta PSS and the proposed grant of the Award to him, Mr. Lee's contributions can be acknowledged and the Group will have more flexibility in the use of the Company's cash and the structuring of his remuneration package.



---

## LETTER TO SHAREHOLDERS

---

Subject to and contingent upon the passing of Ordinary Resolutions 12 and 13 as set out in the Notice of AGM in relation the amendments to the AcroMeta PSS and the proposed participation by Mr. Levin Lee Keng Weng in the AcroMeta PSS respectively, the Directors (save for Mr. Levin Lee Keng Weng) propose to grant an Award to Mr. Levin Lee Keng Weng in accordance with the Rules of the AcroMeta PSS and on, *inter alia*, the following terms:

- Proposed date of grant of Award : Within six (6) months from the date of the 2024 AGM
- Number of Shares comprised in the Award : Up to 32,500,000 Shares (representing approximately up to 11.7% of the total issued Shares as at the Latest Practicable Date and approximately up to 78.2% of the maximum number of Shares available under the AcroMeta PSS and any other share schemes of the Company)
- Moratorium : The entirety of the Shares of the Award will be locked up for 12 months from the date for grant.

In arriving at the value of the Awards and number of Shares proposed to be granted to Mr. Levin Lee Keng Weng, the Committee took into consideration, *inter alia*, his scope of responsibilities, performance and contributions to the Group and his commitment to the Company moving forward. The Committee believes that the proposed grant of Awards to Mr. Lee is fair and not excessive, and is a way to ensure Mr. Lee's commitment and contributions to the Group.

#### **4.4. Rationale for the Proposed Participation by and Grant of an Award under the AcroMeta PSS to Mr. Lim Say Chin**

Mr. Lim Say Chin is the Company's Executive Director, Chief Executive Officer and Controlling Shareholder of the Company. Mr. Lim oversees the project management, contract and procurement activities, human resources & admin and quality, environment, health and safety department of the Group.

Mr. Lim has been essential in the continued contributions to the Group, and the Directors (save for Mr. Lim Say Chin) are of the view that he will continue to play an important part in the growth and development of the Group. Although Mr. Lim is a Controlling Shareholder, the extension of the AcroMeta PSS to him will allow him to be equally entitled with other employees who are not Controlling Shareholders or their associates to take part in and benefit from this system of remuneration, and would therefore align his interests with those of the Company and enhance his long-term commitment to the Group with a view of achieving long-term growth for the Group. With these aims in mind by the extension of the AcroMeta PSS and the proposed grant of the Award to him, Mr. Lim's contributions can be acknowledged and the Group will have more flexibility in the use of the Company's cash and the structuring of his remuneration package.

---

## LETTER TO SHAREHOLDERS

---

Subject to and contingent upon the passing of Ordinary Resolutions 12 and 15 as set out in the Notice of AGM in relation the amendments to the AcroMeta PSS and the proposed participation by Mr. Lim Say Chin in the AcroMeta PSS respectively, the Directors (save for Mr. Lim Say Chin) propose to grant an Award to Mr. Lim Say Chin in accordance with the Rules of the AcroMeta PSS and on, *inter alia*, the following terms:

Proposed date of grant of Award : Within six (6) months from the date of the 2024 AGM

Number of Shares comprised in the Award : Up to 6,500,000 Shares (representing approximately up to 2.4% of the total issued Shares as at the Latest Practicable Date and approximately up to 15.6% of the maximum number of Shares available under the AcroMeta PSS and any other share schemes of the Company)

In arriving at the value of the Awards and number of Shares proposed to be granted to Mr. Lim Say Chin, the Committee took into consideration, *inter alia*, his scope of responsibilities, performance and contributions to the Group and the Group's financial performance. The Committee believes that the proposed grant of Awards to Mr. Lim Say Chin is fair and not excessive, and is in line with share awards granted by other issuers to individuals with comparable seniority.

#### 4.5. Existing Shareholdings

The shareholdings of Mr. Levin Lee Keng Weng and Mr. Lim Say Chin as at the Latest Practicable Date are set out in the table below in Section 6 of this Appendix.

### 5. THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS TO INCLUDE THE NEW BUSINESS

#### 5.1. Introduction

The principal activities of the Company is that of investment holding, engineering design, consultancy activities and renewable energy. The Group is primarily a Singapore-based specialist engineering services provider in the field of controlled environments. It currently serves mainly the healthcare, pharmaceutical, biomedical science, research and academia, and electronics sectors.

The Group's business is divided into three main business segments:

- (a) the engineering, procurement and construction ("**EPC**") segment where the Group provides engineering, procurement and construction services, specialising in architectural, mechanical, electrical and process works within controlled environment;
- (b) the maintenance segment where the Group provides maintenance and repair services for facilities and equipment of controlled environments and their supporting infrastructure; and

---

## LETTER TO SHAREHOLDERS

---

- (c) renewable energy segment which includes but not limited to the building, owning and operating of power plants involving the generation of electricity using sustainable sources.

(together, the “**Existing Business**”).

The Company proposes to expand its current core business to include the activities of setting up, managing and operating co-working laboratory spaces (“**New Business**” or “**Co-working Laboratory Space Business**”). Further details on the proposed diversification of the Existing Business to include the New Business (“**Proposed Diversification**”) are set out in Section 5.2 of this Appendix.

It is envisaged that the Proposed Diversification will change the existing risk profile of the Company as it is different from the Group’s Existing Business. Accordingly, the Company is seeking Shareholders’ approval at the 2024 AGM for the Proposed Diversification.

### 5.2. The New Business

Since July 2021, the Group has been exploring opportunities within the Co-working Laboratory Space Business and intends to diversify its Existing Business to include the Co-working Laboratory Space Business, as and when appropriate opportunities arise.

Through the Group’s joint venture with Tako Ventures LLP (“**Tako**”), the Group has a 70% interest in a Singapore-incorporated joint venture company, Life Science Incubator Holdings Pte. Ltd. (“**LSI Holdings**”). LSI Holdings carries out activities to develop, establish, manage, and operate the business of operating investment holdings for private companies and rental of fitted laboratory space for research and technology.

LSI Holdings wholly-owns a Singapore-incorporated subsidiary, Life Science Incubator Pte. Ltd. (“**LSI**”), and the main business activities of LSI is in the building and developing and operation of co-working laboratory spaces. LSI has built and currently operates a 6,500 square feet co-working laboratory space at The German Centre Singapore, which was launched in September 2021. Its existing clients include startups and companies mainly in the MedTech, BioTech, and FoodTech sectors. LSI provides flexible co-working laboratory spaces to support their research and development activities. As announced by the Company on 6 October 2023, LSI entered into a management agreement with HB Universal Pte Ltd, a subsidiary of Mainboard-listed Ho Bee Land Limited, to operate and manage a co-working laboratory centre at Elementum, One-North, a building in the heart of Singapore’s biomedical industry district.

As announced by the Company on 12 December 2023, LSI Holdings entered into a strategic cooperation framework agreement with Fenglin Healthcare Industry Development (Group) Co. Ltd. (“**Fenglin Group**”) in relation to their collaboration for the Co-working Laboratory Space Business in the People’s Republic of China. China-incorporated Fenglin Group, the administrative arm of the Shanghai Xuhui government in charge of life sciences, aims to establish an integrated ecosystem of local and international stakeholders in Shanghai’s Xuhui District to accelerate biopharmaceutical innovation and development. Fenglin Group will promote the co-working laboratory space with a focus on overseas biomedical science startups and SMEs planning to develop their business in China. On its part, LSI Holdings will use its existing business networks to recommend to Fenglin Group, Singapore and other overseas biomedical sciences companies that intend to have a business foothold in China and need co-working laboratory space.

---

## LETTER TO SHAREHOLDERS

---

Please refer to the announcements made by the Company for more details and developments in the Co-working Laboratory Space Business.

The Group may also, as part of the New Business, invest in or dispose of shares or interests in any entity that is in the New Business.

The Group does not plan to restrict the New Business to any specific geographical market as each investment will be evaluated and assessed by the Board on its merits. The Group may also explore joint ventures, partnerships, cooperation and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the New Business as and when the opportunity arises.

The decision on whether an investment should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the nature and scale of the respective business, amount of investment required and risks associated with such an investment, nature of expertise required and economic conditions, taking into account the opportunities available.

Subject to Shareholders' approval for the Proposed Diversification at the 2024 AGM, should the Company pursue any of such business opportunities under the New Business, such business activities shall constitute part of the ordinary course of business of the Company (where it does not change the risk profile of the Company), and the Company will make the requisite announcements to update Shareholders in accordance with the requirements of the Catalist Rules.

### **5.3. Rationale for the Diversification**

The Group has actively sought out opportunities to improve Shareholders' long-term return. As part of the Group's strategy to broaden its stream of revenue and income, the Group intends to dedicate its resources to pursue the Co-working Laboratory Space Business. This expansion from the Existing Business is expected to augment the Group's foothold as an established specialist engineering service provider and an extension of its core capabilities in the field of controlled environments.

The Board has observed the rise in popularity of flexible co-working spaces and believes that demand for co-working laboratory space is likely to increase given Singapore's drive to grow a biomedical sciences hub in Asia and in other parts of the world. Co-working laboratories are likely to appeal to entrepreneurs, early-stage bio and pharma companies who are keen to optimise cash flow and invest in talent and science at the onset, rather than physical space or equipment, particularly in the MedTech, BioTech and FoodTech spaces.

The Group can benefit from earning revenue from EPC engagements with LSI and/or future tenants of LSI who may require new laboratory premises as part of their expansion plans, as well as potential investment returns from LSI. The Group can also leverage on Tako's network and experience in scientific enterprises to secure further investments as well as contacts for equipment suppliers for the Group's controlled environment business.

---

## LETTER TO SHAREHOLDERS

---

The Board is supportive of the expansion of the Existing Business with the Proposed Diversification into Co-working Laboratory Space Business for the following principal reasons:

(a) Additional and recurrent revenue streams

The Group is of the view that the New Business is expected to provide additional and recurrent revenue streams for the Group. The Group will venture into the New Business prudently, with a view of enhancing shareholder value over the long-term and achieving long-term growth.

(b) Leveraging on existing experience and knowledge for expansion into a complementary business segment

The Group's provision of value-added services, represented by designing and performing fitting out works for laboratories under the Co-working Laboratory Space Business segment will enable it to move downstream from its Existing Business of manufacturing and supply, and secure a larger customer pool.

The Board believes that the Proposed Diversification represents an opportunity to establish a new and complementary business segment for the Group which will enable the Group to access new business opportunities in the market for co-working spaces of controlled environments, which results in synergies with the Group's core business as an established specialist engineering service provider in the field of controlled environments.

(c) The New Business leverages on the growth of the demand in co-working laboratory spaces

Co-working is a business space and services provision model which caters to individuals or companies working independently or collaboratively in shared spaces. The co-working phenomenon began in the US and has spread quickly across other gateway cities such as New York, London, Berlin and Paris followed by Southeast Asian countries such as Indonesia, Philippines, Malaysia, Thailand and Singapore. The concept of co-working laboratory spaces effectively create an ecosystem of innovative workplace solutions that are community-driven, tech-enabled and provide value-add for all tenants. It provides a platform where equipment, technology and services partners can exhibit and engage with new and potential customers, conduct on-site training and cultivate a pipeline of loyal customers, thereby driving synergies and cross-collaboration opportunities. The demand for co-working laboratory spaces is projected to grow as Singapore transforms its economy towards high-value sectors such as MedTech, BioTech and FoodTech. with more companies conducting research and development activities. The New Business will allow the Group to enter into a fast-growing sector poised for sustained domestic growth.

(d) The Proposed Diversification rides on the growth of the MedTech, BioTech, ChemTech and FoodTech sectors globally

The trends in the MedTech, BioTech and FoodTech sectors globally are characterised by rapid innovation, technological advancements, and a growing focus on sustainability. However, startups and SMEs often face challenges when starting their technology research, such as limited resources, a lack of equipment, and the high cost

---

## LETTER TO SHAREHOLDERS

---

of laboratory space. The Co-working Laboratory Space Business allows startups and SMEs to avoid such pitfalls by giving them a platform with specialised infrastructure to conduct their research and development to bring their innovative products to the market without incurring initial high capital expenditures.

As the life sciences continue to benefit from advancements in technologies, the Proposed Diversification will allow the Group to capitalise on the trajectory of these high-growth industries by facilitating the MedTech, BioTech and FoodTech companies to develop and grow in a reliable, agile and fully-equipped laboratory space.

- (e) The Proposed Diversification will give the Company the flexibility to enter into transactions relating to the New Business

Upon Shareholders' approval of the Proposed Diversification, any acquisition or disposal which is in, or in connection with, the New Business, may be deemed to be in the Company's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Catalist Rules. Accordingly, the Company may, in its ordinary course of business, enter into transactions relating to the New Business and which will not change the risk profile of the Company, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential transactions relating to the New Business arise. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Company.

- (f) Enhancing shareholder value

The Board also believes that the Proposed Diversification is aligned with the Company's corporate strategy to provide Shareholders with diversified returns and long-term growth. Through the Proposed Diversification, the Company may reduce its reliance on and mitigate against volatility of its existing business and enhance its profitability, shareholder value and returns through the introduction of possible recurring rental income and/or management income.

#### **5.4. Requirements under the Catalist Rules**

Upon the approval by Shareholders of the Proposed Diversification, any acquisition or disposal which is in, or in connection with, the New Business, may be deemed to be in the Group's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Catalist Rules. Accordingly, the Group may possibly, in its ordinary course of business, enter into transactions relating to the New Business which do not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek for Shareholders' approval as and when potential transactions relating to the New Business arise, even where they cross the threshold of a "major transaction" as defined under the Catalist Rules. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.



---

## LETTER TO SHAREHOLDERS

---

Pursuant to Rule 1014 of the Catalist Rules, a major transaction is a transaction (as defined in Rule 1002(1) of the Catalist Rules) where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules (a) exceeds 75% but is less than 100% (for an acquisition) or (b) exceeds 50% (for a disposal or the provision of financial assistance) (each a “**Major Transaction**”), and must be made conditional upon approval by shareholders in a general meeting. As set out in Practice Note 10A of the Catalist Rules, an acquisition that is regarded to be in, or in connection with, the ordinary course of an issuer’s business, is not subject to the requirements under Chapter 10 of the Catalist Rules (except for Part VIII on very substantial acquisitions or reverse takeovers). An acquisition can be regarded to be in, or in connection with, the ordinary course of an issuer’s business, if: (a) the asset to be acquired is part of the issuer’s existing principal business; and (b) the acquisition does not change the issuer’s risk profile.

For the avoidance of doubt, notwithstanding that Shareholders’ approval of the Proposed Diversification has been obtained:

- (a) when the Group enters into its first Major Transaction involving the New Business (the “**First Major Transaction**”), or where any of the figures computed based on Rule 1006 of the Catalist Rules in respect of several transactions involving the New Business aggregated (the “**Aggregated Transactions**”) over the course of a financial year exceeds 75%, such First Major Transaction or the last of the Aggregated Transactions will be made conditional upon Shareholders’ approval;
- (b) Rule 1015 of the Catalist Rules will apply to acquisitions of assets (including options to acquire assets) whether or not in the Group’s ordinary course of business and which results in any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeding 100% or results in a change in control of the Company. Such acquisitions must therefore be, amongst others, made conditional upon approval by Shareholders at a general meeting;
- (c) Practice Note 10A of the Catalist Rules will apply to acquisitions or disposals of assets (including options to acquire or dispose assets) which will change the risk profile of the Company. Such transactions must therefore be, amongst others, made conditional upon approval by Shareholders at a general meeting; and
- (d) where any transaction constitutes an “interested person transaction” as defined under Chapter 9 of the Catalist Rules, Chapter 9 of the Catalist Rules will apply to such a transaction and the Company will comply with the provisions of Chapter 9 of the Catalist Rules. In particular, pursuant to Rule 905 of the Catalist Rules, where any interested person transaction is of a value equal to or more than 3% of the Group’s latest audited NTA, or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to or more than 3% of the Group’s latest audited NTA, the Group must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year. Pursuant to Rule 906 of the Catalist Rules, where any interested person transaction is of a value equal to or more than 5% of the Group’s latest audited NTA, or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to or more than 5% of the Group’s latest audited NTA, the Group must obtain shareholder approval for the interested person transaction.

---

## LETTER TO SHAREHOLDERS

---

Pursuant to Rule 1005 of the Catalist Rules, separate transactions completed within the last 12 months may also be aggregated and treated as if they were one transaction in determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004 of the Catalist Rules.

The Company will be required to comply with any applicable and prevailing Catalist Rules as amended or modified from time to time.

### **5.5. Management of the New Business**

It is currently envisaged that the New Business and related management will be spearheaded by the Executive Directors of the Company and that they will be responsible for overseeing the entire operations of the New Business.

The operations will be handled by Ms. Zeina-Meriem Gray. Ms. Gray is the Director of LSI Holdings, a principal subsidiary of the Group and she also acts as a director for other associated LSI businesses. In her role as director, Ms. Gray oversees all operations at existing co-working laboratory space facilities and manages the LSI group's expansion both in Singapore and the region. She has over 23 years of experience in property and construction, having started her career in the property and asset management industry in London after graduating in 2000, before moving to Singapore in 2008 to work as part of the construction team at the iconic Marina Bay Sands Integrated Resort. She has since worked in project management on a number of high profile commercial and laboratory projects and served in several leadership roles in the construction project management sector, including director-level roles at Procore, Mace and Colliers International.

The Group is likely to enter into joint ventures and foster partnerships with various other third parties in the industry to assist it in undertaking the New Business more effectively and efficiently. Such partnerships may be on a case by case basis or on a long-term basis. Where necessary, work may be contracted or sub-contracted to third parties who have expertise in the relevant area(s) in relation to the projects concerned. In selecting its partners, the Company will take into account the specific expertise and competencies necessary for the project(s) in question and the experience, track record and financial standing of the party and/or parties concerned.

The Group will carefully monitor developments and progress in the New Business. Where necessary, it will strengthen the management and execution team of the New Business with additional candidates with the credentials and experience relevant to the proposed New Business. The Group will also continually evaluate the manpower and expertise required for the New Business and will, as and when required, engage suitably qualified external personnel, consultants, industry experts and professionals for the New Business. In making decisions, the Board and senior management will seek the advice of these reputable external consultants and experts where necessary and appropriate. Where necessary, work may be outsourced to these third parties who have expertise in the relevant area.

### **5.6. Funding for the New Business**

The proposed diversification into the New Business will be funded primarily through internal funds as well as secondary fund-raising exercises by tapping the capital markets including but not limited to rights issues, share placements and/or issuance of debt instruments and/or borrowings from financial institutions.



---

## LETTER TO SHAREHOLDERS

---

The Company will remain prudent and take into account the financial condition of the Company in deciding the types of projects and related investments it undertakes, and the amounts thereof.

### **5.7. Risk Management Procedures**

The Board does not have a separate Board risk committee as the Board is currently assisted by the Audit Committee, internal auditors and external auditors in carrying out its responsibility of overseeing the Group's risk management framework and policies. To address the risks presented by the Proposed Diversification, the members of the Audit Committee will be tasked with the responsibility of overseeing the risk management activities of the Company in relation to the New Business following the Proposed Diversification. The Audit Committee will be required to approve appropriate risk management procedures and measurement methodologies and be involved in identifying and managing the various business risks for the New Business.

The Company will endeavour to ensure that the risk management systems implemented are commensurate with the risk and business profile, nature, size and complexity of operations and business activities of the New Business, and will review such risk management systems periodically to assess adequacy.

The Board and the Audit Committee will adopt internal policies and procedures for the management to consider before tabling proposals for any new projects or investments under the New Business.

Further, investments above an internally-determined threshold (as approved by the Board from time to time) must be specifically approved by the Audit Committee. In addition, the Board and the Audit Committee, which review the risk exposure of the New Business of the Company at regular intervals, will review the risk exposure of the New Business at intervals of not less than annually.

The risk management and internal control system, no matter how sophisticated in design, still contains inherent limitations caused by misjudgement or fault. Accordingly, there is no assurance that the risk management and internal control systems are adequate or effective notwithstanding the Group's efforts, and any failure to address any internal control matters and other deficiencies may result in investigations and/or disciplinary actions, or even prosecution being taken against the Company and/or its employees, disruption to the risk management system, and an adverse effect on the Group's financial condition and results of operations.

### **5.8. Risk Factors**

To the best of the Directors' knowledge and belief, all risk factors which are material in making an informed decision in relation to the Proposed Diversification have been set out below. Shareholders should carefully consider and evaluate the risk factors set out herein and all other information contained in this Appendix.

Any of the risks described below could have a material adverse effect on the Company's or the Group's results of operations, financial condition and prospects. In that event, the market price of the Shares may decline, and Shareholders may lose all or part of their investments in the Shares.

---

## LETTER TO SHAREHOLDERS

---

The risks declared below are not intended to be exhaustive. New risk factors may emerge from time to time and it is not possible for the management to predict all risk factors, nor can the Company assess the impact of all factors on the proposed Workspace Services business or the extent to which any factor or combination of factors may affect the proposed Workspace Services business.

There may be also other risks associated with the entry into the proposed Co-working Laboratory Space Business which are not presently known to the Group, or that the Company may currently deem immaterial and as such, have not been included in the discussion below.

(a) The Group has a relative short track record and/or business history in the operation of Co-working Laboratory Space Business

LSI currently operates a 6,500 square feet of co-working laboratory space at The German Centre in Singapore since 2021. The Group does not have a long track record and the current management of the Group may not have the relevant experience and expertise required in the implementation and expansion of the New Business. As the New Business is a new area of business to the Company, the Company will face the usual risks, uncertainties and problems associated with the entry into any new business which it has no prior experience or track record in. These risks, uncertainties and problems include the inability to manage the operations and costs, the failure to attract and retain customers, the failure to provide the results, level of revenue and margins the Company is expecting, the failure to identify, attract, retain and motivate qualified personnel, and the inability to find the suitable joint venture, strategic or other business partners. There is no assurance that the management of the Company will be able to ensure success in undertaking the New Business.

(b) Future acquisitions, joint ventures or investments may expose the Group to increased risks

Following the Proposed Diversification, the Group may, as a matter of business strategy, invest in or acquire other entities in the New Business, or enter into joint ventures or other investment structures in connection with the New Business. Acquisitions that the Group may undertake, along with potential joint ventures and other investments, may expose the Group to additional business and operating risks and uncertainties, including but not limited to the following:

- (i) the direct and indirect costs in connection with such transactions;
- (ii) the inability to effectively integrate and manage the acquired businesses;
- (iii) the inability of the Group to exert control over the actions of its joint venture partners, including any non-performance, default or bankruptcy of the joint venture partners;
- (iv) the inability of the Group to exert control over strategic decisions made by these companies;
- (v) the time and resources expended to coordinate internal systems, controls, procedures and policies;

---

## LETTER TO SHAREHOLDERS

---

- (vi) the disruption in ongoing business and diversion of management's time and attention from other business concerns;
- (vii) the risk of entering markets in which the Group may have no or limited prior experience;
- (viii) the potential loss of key employees and customers of the acquired businesses;
- (ix) the risk that an investment or acquisition may reduce the Group's future earnings; and exposure to unknown liabilities.

If the Group is unable to successfully implement its acquisition or expansion strategy or address the risks associated with such acquisitions or expansions, or if the Group encounters unforeseen expenses, difficulties, complications or delays frequently encountered in connection with the integration of acquired entities and the expansion of operations, the Group's growth and ability to compete may be impaired, the Group may fail to achieve acquisition synergies and be required to focus resources on integration of operations, rather than on its business. This will have a negative impact on the financial performance of the Group.

Activities to expand its operations may also bring the Group into contact, directly or indirectly, with new entities or new markets. These business activities expose the Group to new and enhanced risks including reputation risks arising from dealing with a range of new counterparties, along with these activities bring exposure to the range of risks described in this Appendix. If these risks materialise the business, financial condition, results of operations and prospects of the Group will be materially and adversely affected.

- (c) There is limited expansion in each locality/country for the New Business and the Group is subject to risks associated with the operation of businesses outside of Singapore

Due to the targeted sectors and customer base of the New Business, there may be limited room for expansion in each locality/country. Accordingly, the Group does not plan to restrict the New Business to any specific geographical market. As such, there are risks inherent in operating businesses overseas, which include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainties regarding the Group's liability and enforcement, changes in local laws and controls on the repatriation of capital or profits. Any of these risks could adversely affect the Group's overseas operations and consequently, its business, financial performance, financial condition and operating cash flow. Further, the revenue from the New Business may be generated from overseas markets and in foreign currencies. To the extent that the Group's revenue, purchases and operating costs are not matched in the same currency and to the extent there are timing differences between invoicing and collection of payment, as the case may be, the Group may be exposed to any unfavourable fluctuations of such currencies of the jurisdictions in which the Group will be engaging in to conduct the New Business, and the Group's operating results may be materially or adversely affected.

---

## LETTER TO SHAREHOLDERS

---

- (d) The Group may face competition from other co-sharing laboratory space operators

With the concept of co-working becoming a bona fide alternative to a traditional lease and with the rapid growth of co-working locations and number of members worldwide, the Group may face competition from other operators of co-working laboratory space operators. Notwithstanding that managing laboratories is more complex and technically demanding than normal co-working spaces, resulting in less players, other operators may still pose a competitive threat to our Group. They may be able to provide in similar or better locations and/or at better rental prices to compete for tenants. This may result in the Group having to reduce its rental prices, incur additional capital expenditure to increase attractiveness of its properties or engage in competitive strategies that may lower profit margins.

- (e) The New Business may be exposed to payment delays and/or defaults by our customers

The Group may grant to customers credit terms, which would then expose it to payment delays and/or defaults by its customers. Notwithstanding any such payment delays and/or defaults, the Group may continue to incur costs relating to the maintenance and upkeep of the properties leased by them. Persistent payment delays may also necessitate termination of the tenancy agreements, which will require a timely replacement (that the Group cannot assure).

- (f) The Group may be unable to identify new projects and/or set-up the laboratories within budget

The performance and success of the New Business depends on the Group's ability to identify profitable projects and following such identification, to successfully implement and complete such projects including furnishing the laboratories with the necessary equipment at the right prices. This ability may be negatively affected by various factors, including competition for new sites from other competitors, its relationship with equipment manufacturers changes to the general economic conditions in countries where the Group intends to operate its New Business. There is thus no guarantee that the Group will always be successful in identifying suitable projects or completing such projects profitably. The Group's inability to identify and secure leases of new sites at commercially acceptable prices could impair its ability to compete with other competitors and materially and adversely affect the Group's ability to grow the New Business.

- (g) To finance the Group's expansion into the New Business, the Group may need to obtain additional equity or debt financing.

Additional equity fund-raising may result in a dilution to our Shareholders. If such additional equity fund-raising activities do not generate a commensurate increase in earnings, the Company's EPS may be diluted, and may result in a decline in Share price.

Additional debt financing may limit the Company's ability to pay dividends, increase vulnerability to general adverse economic and industry conditions, require the Company to dedicate a substantial portion of its cash flows to fund capital expenditure, working capital and other requirements, as well as limit its flexibility in planning for or reacting to changes in its business and its industry.

---

## LETTER TO SHAREHOLDERS

---

Any inability to secure adequate equity or debt financing may adversely affect the Company's business, financial condition, results of operations and prospects.

- (h) The New Business will be dependent on the recruitment and retention of qualified employees and consultants for its operations and profitability and may be affected by a shortage of skilled resources

In addition to the existing management team, the Company may recruit appropriate management resources for its New Business to provide guidance, and/or approach investment partners to jointly undertake the projects coming within the New Business. The Company cannot guarantee that it will not experience initial operational difficulties or disputes with its investment partners or that its operations will achieve the expected level of revenue and profitability. The growth of the New Business will be dependent on the Group's ability to identify, recruit, train and retain qualified employees to form a relevant and strong management team with the requisite technical expertise to oversee the operations of the New Business. The competition for qualified personnel in the New Business may be intense, and the loss of services of one or more of such individuals without adequate replacement, or the inability to attract qualified personnel at a reasonable cost could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

- (i) There may be occurrences of non-compliance of lease terms and regulatory requirements by the Group's customers

customers' use of the premises and the conduct of their businesses may be subject to tenancy restrictions, governmental and regulatory requirements such as the requirement to obtain the requisite licenses and approvals for the use of the premises and or the conduct of their business. While the New Business has a broad understanding of our members and require our members to abide to our conditions, we do not have full ownership of their activities and actions and therefore risks of non-compliance exists. Any occurrence of such non-compliance with the relevant regulations by the customers may result in impositions of fines on the Company or termination of the master leases. If the Company is unable to find suitable replacement premises due to the premature termination of the master lease, its business will be adversely affected.

- (j) The New Business may be sensitive to changes to general economic and business conditions

Commercial projects are also sensitive to changes in the economic and business conditions. Factors that may affect the revenue of the projects include the international, regional and local economic climate, local real estate conditions, perceptions of lessees and businesses in terms of the convenience and attractiveness of the projects, competition from other available competitors and changes in market rates for comparable leases.

While the MedTech, BioTech and FoodTech industry are currently experiencing sustained levels of interest by governments and venture partners through start-ups grants and equity funding respectively, there is no guarantee that this trend will continue. Adverse movements or changes may be due to macro-economic factors or micro-economic factors that relate to business or operations of the respective industry.

---

## LETTER TO SHAREHOLDERS

---

The demand for the Group's properties available for lease and the Group's services may in turn be affected by the economic climate and changes in governmental policies. In a strong economy, the rental demand will, in turn, be high, affecting the Group's ability to secure new locations for its expansion and/or unable to secure competitive rates during lease renewals. If any of the above risks materialise, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

### **5.9. Future Plans and Prospects**

On 27 November 2023, the Group announced the liquidation of Neo Tiew Power Pte. Ltd. a Singapore-incorporated subsidiary in the renewable energy business segment. While there is currently no operating business in this segment, the Group will continue to explore opportunities in this area.

The Group will continue with its Existing Business. The entry into the New Business is intended to be a diversification of the Group's Existing Business as part of the corporate strategy of the Group to provide Shareholders with diversified returns and long-term growth. The Proposed Diversification will offer new business opportunities and provide the Group with new revenue streams so as to enhance Shareholders' value for the Company.

### **5.10. Changes to the Board of Directors Arising from the Proposed Diversification**

There will be no new appointment to the Board of Directors arising from the Proposed Diversification.

### **5.11. Financial Effects of the Proposed Diversification**

As at the Latest Practicable Date, the Company's plans in relation to the New Business, as announced on SGXNet, are not expected to materially impact the net profit, EPS or NTA of the Group.

Should there be any material impact on the Group's NTA per Share and EPS for FY2023 as a result of any developments relating to the New Business, the Company will make the necessary announcements at the appropriate time.

### **5.12. Disclosure of Financial Results of the New Business**

The New Business will be accounted for as a new business segment in the Group's financial statements in line with the Singapore Financial Reporting Standards (International) and accordingly, the Group will disclose the financial results of the New Business with the Group's financial statements. The financial results of the New Business together with the Group's financial statements will be periodically announced pursuant to the requirements as set out in Chapter 7 of the Catalist Rules. In these periodic announcements, the Group may provide segmented financial results relating to the New Business where appropriate or if required under any applicable accounting standards and the Catalist Rules.

## LETTER TO SHAREHOLDERS

### 6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors and Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors, and Substantial Shareholders in the Shares are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Directors</b>						
Levin Lee Keng Weng	53,000,000	19.12	–	–	53,000,000	19.12
Lim Say Chin <sup>(2)</sup>	200,000	0.07	66,130,645	23.86	66,130,645	23.86
Chew Chee Keong <sup>(2)</sup>	1,052,000	0.38	66,130,645	23.86	67,182,645	24.24
Cheong Keng Chuan, Alfred	–	–	–	–	–	–
Mahtani Bhagwandas	–	–	–	–	–	–
Chan Tze Choong Eric	–	–	–	–	–	–
<b>Substantial Shareholders (other than Directors)</b>						
Ingenieur Holdings Pte. Ltd.	–	–	66,130,645	23.86	66,130,645	23.86
Goi Chew Leng <sup>(2)</sup>	3,124,600	1.13	66,130,645	23.86	69,255,245	24.99

**Notes:**

- (1) Based on the total issued and paid-up share capital of the Company of 277,127,956 Shares (excluding Treasury Shares and Subsidiary Holdings) as at the Latest Practicable Date.
- (2) Mr. Lim Say Chin, Mr. Chew Chee Keong and Mr. Goi Chew Leng are deemed to have an interest in 66,130,645 shares held by Ingenieur Holdings Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act.

Save as disclosed, none of the Directors or their Associates or, as far as the Company is aware, Substantial Shareholders or their Associates, has any interest, direct or indirect, in the proposed resolutions set out in the Notice of AGM, other than through their respective shareholding interest (if any) in the Company.

### 7. DIRECTORS' RECOMMENDATIONS

#### 7.1. Proposed Change of Auditors

Having considered the rationale and benefits of the Proposed Change of Auditors and the Audit Committee's recommendations, the Directors are of the opinion that the Proposed Change of Auditors is in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that Shareholders vote in respect of Ordinary Resolution 9 as set out in the Notice of AGM for the Proposed Change of Auditors.



---

## LETTER TO SHAREHOLDERS

---

### **7.2. Proposed Amendments to the AcroMeta PSS**

All Directors of the Company (save for Mr. Levin Lee Keng Weng, Mr. Lim Say Chin and Mr. Chew Chee Keong who are Controlling Shareholders of the Company) are currently eligible to participate in the AcroMeta PSS and have accordingly, refrained from making any recommendations as to how Shareholders should vote in respect of Ordinary Resolution 12 as set out in the Notice of AGM.

As it is proposed that Mr. Levin Lee Keng Weng and Mr. Lim Say Chin will participate in, and be granted Awards under the amended AcroMeta PSS, Mr. Levin Lee Keng Weng and Mr. Lim Say Chin has refrained from making any recommendations as to how Shareholders should vote in respect of Ordinary Resolution 12 as set out in the Notice of AGM.

Notwithstanding that Ordinary Resolution 12 does not relate to the participation by or grant of Awards to Mr. Chew Chee Keong, as the amendments to the AcroMeta PSS would entitle Mr. Chew, a Controlling Shareholder of the Company, to participate in, and be granted Awards under the amended AcroMeta PSS, Mr. Chew Chee Keong has refrained from making any recommendations as to how Shareholders should vote in favour of this Ordinary Resolution 12 as set out in the Notice of AGM.

### **7.3. Proposed Participation by and Grant of Awards under the AcroMeta PSS to Mr. Levin Lee Keng Weng**

As it is proposed that Mr. Levin Lee Keng Weng, will participate in, and be granted Awards under the amended AcroMeta PSS, Mr. Levin Lee Keng Weng, the Chairman and Controlling Shareholder of the Company, has abstained from making any recommendation as to how Shareholders should vote in respect of Ordinary Resolution 13 and 14 as set out in the Notice of AGM at the 2024 AGM.

Save for Mr. Levin Lee Keng Weng, the Directors, having reviewed and considered the rationale and benefit of the proposed adoption of the AcroMeta PSS, are of the view that the proposed participation by and grant of Awards under the AcroMeta PSS to Mr. Levin Lee Keng Weng is in the best interests of the Company. They accordingly recommend that independent Shareholders vote in favour of Ordinary Resolution 13 and 14 as set out in the Notice of AGM for the proposed participation by and grant of Awards under the AcroMeta PSS to Mr. Levin Lee Keng Weng as set out in the Notice of AGM at the 2024 AGM.

### **7.4. Proposed Participation by and Grant of Awards under the AcroMeta PSS to Mr. Lim Say Chin**

As it is proposed that Mr. Lim Say Chin, will participate in, and be granted Awards under the amended AcroMeta PSS, Mr. Lim Say Chin, the Company's Executive Director, Chief Executive Officer and Controlling Shareholder, has abstained from making any recommendation as to how Shareholders should vote in respect of Ordinary Resolution 15 and 16 as set out in the Notice of AGM at the 2024 AGM.

Save for Mr. Lim Say Chin, the Directors, having reviewed and considered the rationale and benefit of the proposed adoption of the AcroMeta PSS, are of the view that the proposed participation by and grant of Awards under the AcroMeta PSS to Mr. Lim Say Chin is in the best interests of the Company. They accordingly recommend that independent Shareholders vote in favour of Ordinary Resolution 15 and 16 as set out in the Notice of AGM for the proposed participation by and grant of Awards under the AcroMeta PSS to Mr. Lim Say Chin as set out in the Notice of AGM at the 2024 AGM.



---

## LETTER TO SHAREHOLDERS

---

### 7.5. Proposed Diversification

Having considered, *inter alia*, the rationale for the Proposed Diversification, the Directors are of the opinion that the Proposed Diversification is in the best interests of the Company and Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution 17 as set out in the Notice of AGM in respect of the Proposed Diversification.

Shareholders are advised to read this Appendix in its entirety, in particular the rationale for and/or the risk factors relating to the Proposed Diversification and for those who may require advice in the context of his specific investment, to consult his stockbroker, bank manager, solicitor, accountant or other professional adviser.

### 8. ABSTENTION FROM VOTING

Rule 858 of the Catalist Rules states that shareholders who are eligible to participate in a scheme must abstain from voting on any resolution relating to the scheme (other than a resolution relating to the participation of, or grant of options to, directors and employees of the issuer's parent company and its subsidiaries).

Additionally, Rule 859 of the Catalist Rules states that the following categories of persons must abstain from voting on any resolution relating to the participation of, or grant of options to, directors and employees of the parent company and its subsidiaries: (1) the parent company (and its associates); and (2) directors and employees of the parent company (and its subsidiaries), who are also shareholders and are eligible to participate in the scheme.

Accordingly, Shareholders who are eligible to participate in the AcroMeta PSS, including the Directors (collectively, the "**Eligible Shareholders**") shall abstain from voting in respect of Ordinary Resolutions 12, 13, 14, 15 and 16 as set out in the Notice of AGM, and should decline appointment as proxies for voting at the 2024 AGM in respect of the relevant Proposed Transactions, unless specific instructions have been given in the proxy form on how the votes are to be cast for the Proposed Transactions. The Company shall disregard any votes cast by any Eligible Shareholder in respect of the aforementioned ordinary resolutions.

Mr. Levin Lee Keng Weng will abstain, and will procure that his Associates shall abstain, from voting in respect of Ordinary Resolutions 13 and 14 as set out in the Notice of AGM and Mr. Lim Say Chin will abstain, and will procure that his Associates shall abstain, from voting in respect of Ordinary Resolutions 15 and 16 as set out in the Notice of AGM. The Company shall disregard any votes cast by Mr. Levin Lee Keng Weng, Mr. Lim Say Chin and their respective Associates in respect of the aforementioned ordinary resolutions.

### 9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Transactions to be tabled at the 2024 AGM, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

---

## LETTER TO SHAREHOLDERS

---

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

### 10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 4 Kaki Bukit Avenue 1 #04-04 Singapore 417939 during normal office hours from the date of this Appendix up to the date of the 2024 AGM:

- (a) the professional clearance letter issued by Deloitte & Touche to PKF dated 5 January 2024;
- (b) the letter of consent to act as auditors of the Company from PKF dated 8 January 2024;
- (c) the current Rules of the AcroMeta PSS;
- (d) the Constitution; and
- (e) the annual report of the Company for FY2023.

Yours faithfully

For and on behalf of  
the Board of Directors of  
**ACROMETA GROUP LIMITED**

Levin Lee  
Executive Chairman

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

**1. Name of the Scheme**

The Scheme shall be called the “~~Aeromec~~AcroMeta Performance Share Scheme”.

**2. Definitions**

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

<b>“<del>Aeromec</del> <u>AcroMeta</u> Performance Share Scheme” or “Scheme”</b>	:	The <del>Aeromec</del> <u>AcroMeta</u> Performance Share Scheme, as modified or supplemented from time to time
<b>“Adoption Date”</b>	:	The date on which the Scheme is adopted by the Company in general meeting
<b>“Auditors”</b>	:	The auditors for the time being of the Company
<b>“Award”</b>	:	An award of Shares granted under the Scheme
<b>“Board”</b>	:	The board of Directors of the Company for the time being
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Commencement Date”</b>	:	The date for the commencement of the Scheme
<b>“Committee”</b>	:	A committee comprising Directors duly authorised and appointed by the Board to administer the Scheme
<b>“Companies Act”</b>	:	The Companies Act ( <del>Chapter 50</del> <u>1967</u> ) of Singapore, as amended, supplemented or modified from time to time
<b>“Company”</b>	:	<del>Aeromec Limited</del> <u>AcroMeta Group Limited</u>
<b>“Controlling Shareholder”</b>	:	A Shareholder who, in relation to the Company, has control, as further defined in Rule 2.2
<b>“Director”</b>	:	A director of the Company for the time being
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Group Employee”</b>	:	Any employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme in accordance with the provisions thereof
<b>“Group Executive Director”</b>	:	A director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“New Shares”</b>	:	The new Shares which may be issued from time to time pursuant to the vesting of Awards granted under the Scheme
<b>“Non-Executive Director”</b>	:	A director of the Company and/or any of its subsidiaries, as the case may be, other than a Group Executive Director
<b>“Participant”</b>	:	A person who is selected by the Committee to participate in the Scheme in accordance with the provisions of the Scheme
<b>“Performance Targets”</b>	:	The performance targets prescribed by the Committee to be fulfilled by a Participant for any particular period under the Scheme
<b>“Rules”</b>	:	The rules of the Scheme, as the same may be amended or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons to whose securities accounts maintained with CDP are credited with the Shares
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“treasury shares”</b>	:	Issued Shares of the Company which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have since purchase been continuously held by the Company
<b>“\$” and “cents”</b>	:	Singapore dollars and cents respectively
<b>“%” or “percent”</b>	:	Percentage or per centum

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

2.2 For the purposes of the Scheme:

- (a) in relation to a Shareholder (including, where the context requires, the Company), “control” means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of that company;
- (b) unless rebutted, a person who holds directly or indirectly, a shareholding of 15% or more of the Company’s total number of issued shares excluding treasury shares shall be presumed to be a Controlling Shareholder; and
- (c) in relation to a Controlling Shareholder, his “associate” shall have the meaning ascribed to it by the Listing Manual or any other publication prescribing rules or regulations for corporations admitted to the Official List of the SGX-ST (as modified, supplemented or amended from time to time).

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

2.4 Any reference in the Scheme or the Rules to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Scheme and the Rules shall have the meaning assigned to it under the Companies Act.

2.5 Words importing the singular number shall include the plural number where the context admits and *vice versa*. Words importing the masculine gender shall include the feminine gender where the context admits.

2.6 Any reference to a time of day shall be a reference to Singapore time.

### **3. Objectives**

The purpose of the Scheme is to provide an opportunity for Group Employees and Group Executive Directors who have met the Performance Targets to be enumerated through an equity stake in the Company and/or when due recognition should be given to any good work performance and/or significant contribution to the Company as well as for Group Employees to receive part of their annual cash bonus payment in the form of Shares. The Scheme is also extended to Non-Executive Directors.

The Company believes that the retention of outstanding employees within the Group is paramount to the Group’s long-term objectives of pursuing continuous growth and expansion in its future business and operations. Furthermore, the Group acknowledges that the importance of preserving financial resources for future business development and to withstand difficult times. In the light of this, the Group’s strategy is to contain the remuneration of its employees and executives which constitutes a major component of the Group’s operating costs.

The Scheme is formulated with those objectives in mind. Through the Scheme, the Company hopes to be able to remain an attractive and competitive employer, and to be better able to manage its fixed overhead costs without compromising on performance standards and efficiency.

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

**4. Eligibility**

- 4.1 The following persons (provided that such persons are not undischarged bankrupts at the relevant time and have attained the age of 21 years on or before the date of grant of the Award) shall be eligible to participate in the Scheme at the absolute discretion of the Committee:
- (a) Group Employees (including Group Executive Directors); and
  - (b) Non-Executive Directors (including independent Directors).
- 4.2 ~~Controlling Shareholders and their associates shall not be eligible to participate in the Scheme.~~ Persons who are Controlling Shareholder(s) or their Associates may participate in the Scheme provided that (a) the participation of each of them; and (b) the actual number and terms of Awards to be granted to each of them, have been approved by independent Shareholders of the Company in general meeting in separate resolutions for each such person. Each of such Controlling Shareholder(s) or their Associates shall abstain from voting on the resolution in relation to his participation in the Scheme and the grant of Awards to him.
- 4.3 For the purposes of determining eligibility to participate in the Scheme, the secondment of a Group Employee to another company within the Group shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time employee of the Group.
- 4.4 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by the Company or any other company within the Group.
- 4.5 Subject to the Companies Act and any requirement of the SGX-ST, 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 under the Scheme**

- 5.1 The Company may deliver Shares pursuant to the Awards granted under the Scheme in the form of existing Shares held as treasury shares and/or an issue of New Shares. In determining whether to issue New Shares or to purchase existing Shares for delivery to Participants upon the vesting of their Awards, the Company will take into account factors such as 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.
- 5.2 Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon (i) the Committee being satisfied that the Participant has achieved the Performance Targets and/or due recognition should be given for good work performance and/or significant contribution to the Company and/or (ii) the Company decides to pay part of a Group Employee's annual cash bonus payment in the form of Shares.

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

5.3 The aggregate number of Shares over which the Committee may grant Awards on any date, when added to the number of Shares issued and issuable in respect of all Awards granted under the Scheme and all other Shares issued and issuable under any other share-based incentive schemes of the Company for the time being in force, shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares) on the day preceding that date.

**6. Date of Grant**

The Committee may grant Awards at any time in the course of a financial year, 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**

7.1 Awards are personal to the Participant to whom it is given 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 approval of the Committee.

7.2 Once an Award is finalised by the Committee, the Committee shall send an Award letter to the Participant confirming the said Award. The said Award letter shall specify, *inter alia*, the following:

- (a) in relation to a performance-related Award, the Performance Target(s) for the Participant and the period during which the Performance Target(s) shall be met;
- (b) the number of Shares to be vested on the Participant; and
- (c) the date on which the Award shall be vested.

7.3 The Committee shall take into account various factors when determining the method to arrive at the exact number of Shares comprised in an Award. Such factors include, but are not limited to, the current price of the Shares, the total issued share capital of the Company and the predetermined dollar amount which the Committee decides that a Participant deserves for meeting his Performance Targets. For example, Shares may be awarded based on predetermined dollar amounts such that the quantum of Shares comprised in Awards is dependent on the closing price of Shares transacted on the Market Day the Award is vested. Alternatively, the Committee may decide absolute numbers of Shares to be awarded to Participants irrespective of the price of the Shares. The Committee shall monitor the grant of Awards carefully to ensure that the size of the Scheme will comply with the relevant rules of the SGX-ST.

7.4 The Committee has the right to amend the Performance Target(s) if the Committee decides that it would be a fairer measure of the performance of a Participant or for the Scheme as a whole. The Committee shall have the sole discretion to determine whether Performance Target(s) have been met (whether fully or partially) or exceeded and/or whether the Participant's performance and/or contribution to the Company and/or any of its subsidiaries justifies the vesting of an Award. In making any such determination, the Committee shall have the right to take into account such factors as the Committee may in its sole discretion

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

determine to be relevant, and further, the right to amend the service conditions and/or Performance Target(s), if any, if the Committee decides that it would be more equitable to do so.

**8. Vesting of the Awards**

8.1 Notwithstanding that a Participant may have met his Performance Targets, no Awards shall be vested:

- (a) 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
- (b) in the event of any misconduct on the part of the Participant as determined by the Committee in its discretion; or
- (c) in the event that the 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 Scheme (as set out in Rule 3) have not been met.

8.2 A Participant shall be entitled to an Award so long as he has met the Performance Targets notwithstanding that he may have ceased to be employed by the Group after the fulfilment of such Performance Targets. For the purpose of this Rule 8.2, the Participant may cease to be so employed in any of the following events, namely:

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

**9. Take-over and winding up of the Company**

9.1 Notwithstanding 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 Targets which fall 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 6 months thereafter, unless prior to the expiry of such 6-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 last date on which the Performance Targets are to be met); or
- (b) the date of expiry of the period for which the Performance Targets are to be met,



---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

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 meet such Performance Targets until the expiry of such specified date or the expiry date of the Performance Targets relating thereto, whichever is earlier, before an Award can be vested.

- 9.2 If 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, each Participant who has fulfilled his Performance Target 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 Shares under the Awards so determined by the Committee to be released to him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.
- 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 or 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 Committee, the Participant has met the Performance Targets 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 release of Shares under the Award shall be made in such circumstances.

**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 the compliance with the terms of the Scheme and the Constitution of the Company, the Company shall within 10 Market Days after the vesting of an Award, allot and issue the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of treasury shares, do such acts or things as may be necessary for the transfer to be effective.
- 10.2 The Company shall, as soon as practicable after allotment, where necessary, apply to the SGX-ST for the permission to deal in and for quotation of the relevant New Shares.
- 10.3 New Shares which are the subject of an Award shall be issued in the name of CDP to the credit of the securities account of that Participant maintained with CDP or the securities sub-account maintained with a Depository Agent.

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

- 10.4 Shares delivered 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 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 treasury shares pursuant to the vesting of the Award, 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.
- 10.5 Shares which are allotted, and/or treasury shares which are transferred, on the vesting of an Award to a Participant, may be subject to such moratorium as may be imposed by the Committee.
- 10.6 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 issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, or reduction, sub-division, consolidation or distribution or issues for cash or for shares or otherwise than for cash or otherwise howsoever) 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;
  - (b) the class and/or number of Shares over which future Awards may be granted under the Scheme; and/or
  - (c) the maximum number of Shares which may be issued pursuant to Awards granted under the Scheme,

shall be adjusted by the Committee to give each Participant the same proportion of the equity capital of the Company as that to which he was previously entitled and, in doing so, the Committee shall determine at its own discretion the manner in which such adjustment shall be made.

- 11.2 Unless the Committee considers an adjustment to be appropriate, the following shall not be regarded as a circumstance requiring adjustment under the provision of this Rule 11:
- (a) the issue of securities as consideration for an acquisition of any assets or a private placement of securities by the Company;
  - (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; or

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

- (c) the issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares pursuant to any share scheme of the Company (including the Scheme).

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 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 capitalisation 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 Any increase in the issued share capital of the Company as a consequence of the delivery of Shares pursuant to the vesting of Awards from time to time by the Company or through any other share-based incentive schemes implemented by the Company will also not be regarded as a circumstance requiring adjustment.

11.5 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 pursuant to the grant of an Award and the maximum entitlement in any one financial year. Any adjustment shall take effect upon such written notification being given.

**12. Administration of the Scheme**

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

12.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme 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;
- (b) amending Performance Targets if by so doing, it would be a fairer measure of performance for a Participant or for the Scheme as a whole.

12.3 Any decision 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 (including any decisions pertaining to the number of Shares to be vested) or to disputes as to the interpretation of the Scheme or any rule, regulation, procedure thereunder or as to any rights under the Scheme. The Committee shall not be required to furnish any reasons for any decision or determination made by it.

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

**13. Notices and Annual Report**

- 13.1 Any notice required to be given by a Participant to the Company shall be sent or delivered to the registered office of the Company or such other addresses as may be notified by the Company to the Participant 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 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 according to the records of the Company or at the last known address of the Participant and if sent by post, shall be deemed to have been given on the day following the date of posting.
- 13.3 The Company shall in relation to the Scheme, as required by law, the SGX-ST or other relevant authority, make the following disclosures in its annual report to shareholders:
- (a) the names of the members of the Committee administering the Scheme;
  - (b) the information required in the table below for the following participants:
    - (i) Directors of the Company;
    - (ii) Participants who are Controlling Shareholder(s) and their Associates; and
    - (iii) Participants other than those in (i) and (ii) above, who received Shares pursuant to the vesting of the Awards granted under the Scheme which, in aggregate, represent 5% or more of the aggregate of the total number of Shares available under the Scheme;

Name of Participant	Aggregate number of Shares comprised in Awards during financial year under review (including terms)	Aggregate number of Share comprised in Awards from commencement of Scheme to end of financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred since commencement of Scheme to end of financial year under review	Aggregate number of Shares comprised in Awards not vested as at end of financial year under review

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

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

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

**14. Modifications to the Scheme**

- 14.1 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:
- (a) any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of Shareholders in a general meeting;
  - (b) the modification or alteration must be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive; and
  - (c) no modification or alteration shall be made without due compliance with the Listing Manual and such other regulatory authorities as may be necessary.
- 14.2 The 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 Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 14.3 Written notice of any modification or alteration made in accordance with this Rule 14 shall be given to all Participants.

**15. Terms of employment unaffected**

The terms of employment of a Participant (who is a Group Employee) 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.

**16. Duration of the Scheme**

- 16.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the Scheme 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.
- 16.2 The Scheme may be terminated at any time by the Committee or by resolution of the Company in general meeting subject to all relevant approvals which may be required and if the Scheme is so terminated, no further Awards shall be vested by the Company thereunder.
- 16.3 The expiry or termination of the Scheme shall not affect Awards which have been vested prior to such expiry or termination, whether such Shares have been delivered or not.

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

**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 Scheme 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 issue and allotment or transfer of any Shares pursuant to the Awards in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

18.2 Save for the taxes referred to in Rule 17 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, issue and/or delivery of Shares pursuant to the Awards shall be borne by the Company.

**19. 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 or transferring the Shares or applying for or procuring the listing of the Shares on the SGX-ST.

**20. Abstention from Voting**

Shareholders who are eligible to participate in the Scheme are to abstain from voting on any shareholders' resolution relating to the Scheme and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, Shareholders who are eligible to participate in the Scheme shall abstain from voting on the resolution relating to the implementation of the Scheme.

**21. 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.

**22. Condition of Awards**

Every Award shall be subject to the condition that no Shares would be issued and/or transferred pursuant to the vesting of any Award if such issue and/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.

---

**ANNEX A –  
THE PROPOSED AMENDMENTS TO THE RULES OF THE ACROMETA  
PERFORMANCE SHARE SCHEME**

---

**23. Governing Law**

The Scheme 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 Scheme, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

