

APPENDIX J — RULES OF THE CIVMEC EMPLOYEE SHARE OPTION SCHEME

1. Name of the Scheme

The Scheme shall be called the "Civmec Employee Share Option Scheme".

2. Definitions

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

- "Acceptance Period"** : The period within which an Option may be accepted, as described in Rule 07.1
- "Act"** : The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- "Adoption Date"** : The date on which the CESOS is adopted by the Shareholders at a general meeting
- "Aggregate Subscription Cost"** : The total amount payable for the Shares to be subscribed for on the exercise of an Option
- "Associate"** : (a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- "Associated Company"** : A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries and over which the Company has Control
- "Associated Company Employee"** : An executive director of an Associated Company or a full-time employee of an Associated Company selected by the Committee to participate in the CESOS in accordance with the CESOS

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

- (b) in the case of an Incentive Option which is granted to an Executive Director or an Employee, a period commencing after the second anniversary of the Date of Grant and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee), or such other period which may from time to time be prescribed under the relevant law, regulation or rule of the SGX-ST subject as provided in Rules 9 and 10 of the CESOS and any other conditions as may be introduced by the Committee from time to time

"Group"	:	The Company and its subsidiaries, and "Group Company" shall mean any one of such companies
"Group Employee"	:	Any Director of the Company or full-time employees of the Group who is of the age of 18 years and above
"Incentive Option"	:	The right to subscribe for Shares granted or to be granted pursuant to the CESOS and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8 of the CESOS
"Letter of Offer"	:	The forms found in Schedules A-1 and A-2 of the CESOS
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Market Price"	:	The average of the last dealt prices for a Share, as determined by reference to the daily official list published by the SGX-ST for a period of 3 consecutive Market Days immediately prior to the relevant Date of Grant of the Option, provided always that in the case of a Market Day on which the Shares were not traded on the SGX-ST, the last dealt price for a Share on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
"Market Price Option"	:	The right to subscribe for Shares granted or to be granted pursuant to the CESOS and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8 of the CESOS
"Non-Executive Director"	:	A director (other than an executive director) from time to time of the Company
"Offer Date"	:	The date on which an Option is granted pursuant to Rule 6
"Option"	:	The right to subscribe for new Shares granted or to be granted pursuant to the CESOS, which may be a Market Price Option and/or an Incentive Option, as the case may be
"Option Period"	:	The period for the exercise of an Option as set out in Rule 9
"Participant"	:	Any eligible person who is selected by the Committee to participate in the CESOS in accordance with the Rules

"Rules"	:	The rules of the CESOS, as the same may be amended from time to time
"Scheme" or "CESOS"	:	The Civmec Employee Share Option Scheme, as modified or altered from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	The registered holders for the time being of the Shares
"Shares"	:	Fully-paid ordinary shares each in the capital of the Company
"Subscription Price"	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option as determined in accordance with Rule 8 of the CESOS
"Substantial Shareholder"	:	Shall bear the meaning set out in Section 81 of the Act
"Vesting Schedule"	:	In relation to an Option, a schedule for the vesting and the exercise of the Shares comprised in the Option during the Exercise Period in relation to that Option as determined by the Committee on the Date of Grant of that Option
"S\$"	:	Singapore dollars
"%"	:	Per centum

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 130A of the Act.

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

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

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

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

3. Objectives of the CESOS

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

- (i) align the interests of the Participants with those of the Shareholders so as to motivate them to contribute towards future growth and profitability of the Group, and hence the maximisation of Shareholders value in the longer term;

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

4. Eligible Participants

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

- (i) full-time employees of the Group who are of the age of 18 years and above;
- (ii) directors of the Company and its subsidiaries (including Non-Executive Directors);
- (iii) Associated Company Employees who, in the opinion of the Committee, have contributed or will contribute to the success of the Group; and
- (iv) Persons who are Controlling Shareholders and their Associates shall not participate in the CESOS unless:
 - (a) written justification has been provided to Shareholders for their participation at the introduction of the CESOS or prior to the first Grant of Options to them;
 - (b) the actual number and terms of any Options to be granted to them have been specifically approved by independent Shareholders of the Company who are not beneficiaries of the grant in a general meeting in separate resolutions for each such Controlling Shareholder or Associate; and
 - (c) all conditions for their participation in the CESOS as may be required by the regulation of the SGX-ST from time to time are satisfied.

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

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

5. Limitations on the Size of the CESOS

5.1 The aggregate number of Shares over which Options may be granted, when added to the number of Shares issued and issuable in respect of all Options granted under the CESOS or other share-based incentive schemes of the Company, shall not exceed 15% of the issued share capital of the Company on the date preceding the Offer Date of an Option.

5.2 With regard to Controlling Shareholders and their Associates, the aggregate number of new Shares which may be granted to them will not exceed 25% of all the new Shares available under the CESOS and such other share based incentive schemes of the Company, and the number of new Shares issued and issuable to each of the Controlling Shareholders or their Associates shall not exceed 10% of all the new Shares available under the CESOS and such other share based incentive schemes of the Company.

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

6. Offer Date

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

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

7. Acceptance of Options

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

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

7.3 An Option shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior written approval of the Committee.

7.4 In the event that the grant of an Option results in a contravention of any applicable law, subsidiary legislation or other regulation, such grant shall be null, void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.

7.5 Unless the Committee determines otherwise, the grant of an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:

- (i) It is not accepted in the manner as provided in Rule 7 within the Acceptance Period; or
- (ii) the Participant dies prior to his acceptance of the Option; or
- (iii) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or

- (iv) the Participant ceases to be in the employment of the Group or Associated Company (as the case may be) or ceases to be a director of the Group or Associated Company (as the case may be), in each case, for any reason whatsoever, prior to his acceptance of the Option; or
- (v) the Company is liquidated or wound up prior to the Participant's acceptance of the Option.

8. Subscription Price

8.1 Subject to any adjustment pursuant to Rule 12, the Subscription Price for each Share in respect of which an Option is exercisable shall be fixed by the Committee at:

- (i) the Market Price; or
- (ii) a price which is set at a discount to the Market Price, provided that:
 - (a) the maximum discount shall not exceed 20% of the Market Price; and
 - (b) the prior approval of the Shareholders of the Company in the general meeting shall have been obtained for the making of offers and grants of Options under the CESOS at a discount not exceeding the maximum discount as aforesaid in a separate resolution.

9. Exercise of Options

9.1 Subject as provided in this Rule 9 and Rule 10 and any other conditions as may be introduced by the Committee from time to time, each Option shall be exercisable, in whole or in part, as follows:

- (i) in the case of a Market Price Option, during the period commencing after the first anniversary of the Offer Date and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee); and
- (ii) in the case of an Incentive Option, during the period commencing after the second anniversary of the Offer Date and expiring on the tenth anniversary of such Date of Grant (or such other shorter period if so determined by the Committee).

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

9.3 Unless otherwise decided by the Committee at its absolute discretion, an Option shall, to the extent unexercised, immediately lapse without any claim whatsoever against the Company:

- (i) subject to Rules 09.4 and 09.5, upon the Participant ceasing to be in the full-time employment of the Group or Associated Company (as the case may be) due to any reason whatsoever other than the reasons covered in Rule 09.4, or in the case of a Participant who is a Non-Executive Director, ceasing to be a director of the Company, for any reason whatsoever other than due to the reasons covered in Rule 09.4. For the purpose of the foregoing, the Participant shall be deemed to have ceased to be so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date;
- (ii) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option;

- (iii) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion or any breach of any regulation of the Group, such breach being regarded as serious by the Committee in its absolute discretion; or
- (iv) upon the company by which the Participant is employed ceasing to be a company within the Group or an Associated Company (as the case may be), or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group.

9.4 If a Participant ceases to be employed by the Group by reason of his:

- (i) ill health, injury, death or disability (in each case, evidenced to the satisfaction of the Committee);
- (ii) redundancy;
- (iii) retirement at or after the legal retirement age;
- (iv) retirement before the legal retirement age with the consent of the Committee; or
- (v) completion of the term of his service contract,

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

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

10. Take-over and winding up

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

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

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

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

- 10.2 If: (a) under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, or an order being made or a resolution being passed for the winding-up of the Company on the basis or by reason of its insolvency, or (b) there is a change of Control of the Company, each Participant shall be entitled, notwithstanding Rule 9 but subject to Rule 10.5, to exercise any Option then held by him, in respect of such number of Shares comprised in that Option, during the period: (i) in the case of scenario (a) above, commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later, or (ii) in the case of scenario (b) above, commencing on the date upon which the change of Control becomes effective and ending on the expiry of 60 days thereafter (but in either case, not after the expiry of the Option Period relating thereto), whereupon the Option shall lapse and become null and void.
- 10.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.
- 10.4 In the event that a notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date soon after it dispatches such notice to each member of the Company give notice thereof to all Participants (together with a notice of the existence of the provision of this Rule 10.4) and thereupon, each Participant (or his legal personal representative) shall be entitled to exercise all or any of his Options at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the Aggregate Subscription Cost whereupon the Company shall as soon as possible and in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Participant credited as fully paid.
- 10.5 If in connection with the making of a general offer referred to in Rule 10.1 or an event referred to in Rule 10.2 or a winding-up referred to in Rule 10.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, as yet not exercised, may not be permitted to exercise that Option as provided for in this Rule 10.
- 10.6 To the extent that an Option is not exercised within the periods referred to in this Rule 10, it shall lapse and become null and void.

11. Manner of Exercise

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

12. Variation of Capital

- 12.1 If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, capitalisation of profits or reserves, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place:
- (i) the Subscription Price for the Shares, the class and/or number of Shares comprised in an Option to the extent unexercised; and/or
 - (ii) the class and/or number of Shares over which additional Options may be granted under the CESOS, shall be adjusted in such manner as the Committee may deem to be appropriate.
- 12.2 The following shall not be regarded as a circumstance requiring adjustment:
- (i) the issue of securities as consideration for an acquisition or a private placement of securities; or

- (ii) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

12.3 Notwithstanding the provisions of Rule 12.1:

- (i) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
- (ii) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

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

13. Administration

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

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

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

- (i) the lapsing or early expiry of any Options pursuant to any provision of the CESOS;
- (ii) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the CESOS; and/or
- (iii) any decision or determination of the Committee made pursuant to any provision of the CESOS.

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

14. Notices and Annual Report

14.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

14.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

14.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 14.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

14.4 The Company shall disclose the following (as applicable) in its annual report for so long as the CESOS continues in operation:

- (i) the names of the members of the Committee administering the CESOS;
- (ii) the information required in the table below for the following Participants:
 - (a) directors of the Company;
 - (b) a Participant who is a Controlling Shareholder or an Associate of a Controlling Shareholder; and
 - (c) Participants, other than those in (a) and (b) above, who receive 5.0% or more of the total number of Shares available under the CESOS; and

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

- (iii) in respect of Incentive Options, the following disclosure shall be made:
 - (a) the number of Incentive Options granted at a discount of 10% or less and proportion to Market Price Options during the financial year under review; and
 - (b) the number of Incentive Options granted at a discount of more than 10% and proportion to Market Price Options during the financial year under review.

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

15. Modifications to the CESOS

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

- (i) no modification or alteration shall alter adversely the rights attaching to any Option granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters in the number of all the Shares which would fall to be allotted upon exercise in full of all outstanding Options;
- (ii) any modification or alteration which would be to the advantage of Participants under the CESOS shall be subject to the prior approval of the Shareholders in general meeting; and
- (iii) no modification or alteration shall be made without the prior approval of such regulatory authorities as may be necessary, and any modification or alteration shall comply with the Listing Manual.

15.2 Notwithstanding anything to the contrary contained in Rule 15.1, the Committee may at any time by resolution (and without other formality) amend or alter the CESOS in any way to the extent necessary to cause the CESOS to comply with any statutory provision or the provisions or regulations of any regulatory or other relevant authority or body (including the SGX-ST).

15.3 Written notice of any modification or alteration made in accordance with this Rule 15 shall be given to all Participants.

16. Terms of employment unaffected

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

17. Duration of the CESOS

17.1 The CESOS 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 CESOS may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.

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

17.3 The termination, discontinuance or expiry of the CESOS shall not affect Options which have been granted and accepted as provided in Rule 7.1, whether such Options have been exercised (whether fully or partially) or not.

18. Taxes

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

19. Costs and expenses

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

20. Disclaimer of liability

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

21. Abstention from voting

Shareholders who are eligible to participate in the CESOS shall abstain from voting on any resolution relating to the CESOS.

22. Disputes

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

23. Condition of Option

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

24. Governing law

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

SCHEDULE A-1

CIVMEC EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER (MARKET PRICE OPTION)

Serial No:

Date:

To: [Name]
[Designation]
[Address]

Private and Confidential

Dear Sir/Madam,

We have the pleasure of informing you that you have been nominated to participate in the Civmec Employee Share Option Scheme ("**Scheme**") by the Committee appointed by the Board of Directors of Civmec Limited ("**Company**") to administer the CESOS.

The offer contained herein shall be subject to the terms and conditions of the CESOS. Terms as defined in the CESOS shall have the same meaning when used in this letter.

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

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

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

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

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

Yours faithfully

For and on behalf of
CIVMEC LIMITED

Name:
Designation:

SCHEDULE A-2

CIVMEC EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER (INCENTIVE OPTION)

Serial No:

Date:

To: [Name]
[Designation]
[Address]

Private and Confidential

Dear Sir/Madam,

We have the pleasure of informing you that you have been nominated to participate in the Civmec Employee Share Option Scheme ("**Scheme**") by the Committee appointed by the Board of Directors of Civmec Limited ("**Company**") to administer the CESOS.

The offer contained herein shall be subject to the terms and conditions of the CESOS. Terms as defined in the CESOS shall have the same meaning when used in this letter.

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

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

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

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

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

Yours faithfully

For and on behalf of
CIVMEC LIMITED

Name:
Designation:

CIVMEC EMPLOYEE SHARE OPTION SCHEME
ACCEPTANCE FORM (MARKET PRICE OPTION)

Serial No:

Date:

To: The Committee
Civmec Employee Share Option Scheme

Closing Date for Acceptance of Offer : _____
Number of Shares Offered : _____
Subscription Price for each Share : S\$ _____
Total Amount Payable : S\$ _____
(exclusive of the relevant CDP charges)

1. I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the CESOS referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.
2. I hereby accept the Market Price Option to subscribe for _____ Shares at S\$ _____ for each Share and enclose cash for S\$1.00 in payment for the purchase of the Option.
3. I understand that I am not obliged to exercise the Option. I also understand that I shall be responsible for all the fees of CDP (if applicable) relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP, or my securities sub-account with a CDP Depository Agent (as the case may be) (collectively, "CDP charges").
4. I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of the Shares or options to subscribe for such Shares.
5. I agree to keep all information pertaining to the grant of the Option to me strictly confidential. I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____
Designation : _____
Address : _____
Nationality : _____
Identification/Passport No. : _____
Signature : _____
Date : _____

CIVMEC EMPLOYEE SHARE OPTION SCHEME

ACCEPTANCE FORM (INCENTIVE OPTION)

Serial No:

Date:

To: The Committee
Civmec Employee Share Option Scheme

Closing Date for Acceptance of Offer : _____

Number of Shares Offered : _____

Subscription Price for each Share : S\$ _____

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

1. I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the CESOS referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.
2. I hereby accept the Market Price Option to subscribe for _____ Shares at a discounted price of S\$ _____ for each Share and enclose cash for S\$1.00 in payment for the purchase of the Option.
3. I understand that I am not obliged to exercise the Option. I also understand that I shall be responsible for all the fees of CDP (if applicable) relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP, or my securities sub-account with a CDP Depository Agent (as the case may be) (collectively, "CDP charges").
4. I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of the Shares or options to subscribe for such Shares.
5. I agree to keep all information pertaining to the grant of the Option to me strictly confidential. I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

Identification/Passport No. : _____

Signature : _____

Date : _____

SCHEDULE C-1

CIVMEC EMPLOYEE SHARE OPTION SCHEME

FORM OF EXERCISE OF OPTION (MARKET PRICE OPTION)

Date: _____

To: The Committee
Civmec Employee Share Option Scheme

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

Number of Shares previously allotted under my Market Price Options: _____

Outstanding balance of Shares to be allotted under my Market Price Options: _____

Number of Shares to be subscribed now pursuant to my exercise of my Market Price Options: _____

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

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

(i) Direct Securities Account No.: _____

(ii) Securities Sub-Account No.: _____

Name of Depository Agent: _____

(iii) CPF Investment Account No.: _____

Name of Agent Bank: _____

3. Payment methods

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

OR

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

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

CPF Investment Account No.: _____

Name of Agent Bank: _____

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

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____
Designation : _____
Address : _____
Nationality : _____
Identification/Passport No. : _____
Signature : _____
Date : _____

SCHEDULE C-2

CIVMEC EMPLOYEE SHARE OPTION SCHEME

FORM OF EXERCISE OF OPTION (INCENTIVE OPTION)

Date: _____

To: The Committee
Civmec Employee Share Option Scheme

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

Number of Shares previously allotted under my Market Price Options: _____

Outstanding balance of Shares to be allotted under my Market Price Options: _____

Number of Shares to be subscribed now pursuant to my exercise of my Market Price Options: _____

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

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

(i) Direct Securities Account No.: _____

(ii) Securities Sub-Account No.: _____

Name of Depository Agent: _____

(iii) CPF Investment Account No.: _____

Name of Agent Bank: _____

3. Payment methods

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

OR

I wish to pay the total subscription price of S\$ _____ ("Aggregate Subscription Cost") for the said Shares by utilising CPF monies standing to the credit of my CPF investment account specified below. I enclose herewith the CPF withdrawal form and irrevocably and unconditionally authorise the Company to obtain or disclose all necessary information from or to the agent bank named below, to submit the above-mentioned form to the said agent bank and to request such agent bank to forward the cashier's order or cheque for an amount equal to the Aggregate Subscription Cost in payment for the said Shares to the Company. I agree that the Company shall not in any way be liable if for any reason whatsoever the cashier's order or cheque is not issued

or is not received by the Company. I request the Company to allot and issue the said Shares referred to in paragraph 1 above in the name of CDP and to deliver to CDP the certificate(s) for the Shares for credit to the securities account of such nominee of the agent bank as shall have been notified by the agent bank to the Company and I hereby agree to bear such fees or other charges as may be imposed by CDP and any stamp duty payable in respect thereof.

CPF Investment Account No.: _____

Name of Agent Bank: _____

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

PLEASE PRINT IN BLOCK LETTERS

Name in full _____ :

Designation : _____

Address : _____

Nationality : _____

Identification/Passport No. : _____

Signature : _____

Date : _____